AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

THE NATIONAL ARCHIVES

FEDERAL REGISTER

VOLUME 15 NUMBER 63

Washington, Saturday, April 1, 1950

1358

TITLE 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 6—EXCEPTIONS FROM THE COMPETITIVE SERVICE

DEPARTMENT OF LABOR

Under authority of § 6.1 (a) of Executive Order 9830, and at the request of the Department of Labor, the Commission has determined that the number of positions of private secretary or confidential assistant to the Secretary of Labor should be increased from one to two such positions. Effective upon publication in the FEDERAL REGISTER, subparagraph (1) of § 6.113 (b) is amended to read as follows:

§ 6.113 *Department of Labor.* • • •

(b) *Office of the Secretary.* (1) Two private secretaries or confidential assistants to the Secretary of Labor, one to the Under Secretary of Labor, and one to each Assistant Secretary of Labor.

(R. S. 1753, sec. 2, 22 Stat. 403; 5 U. S. C. 631, 633; E. O. 9830, Feb. 24, 1947, 12 F. R. 1259; 3 CFR, 1947 Supp., E. O. 9973, June 28, 1948, 13 F. R. 3600; 3 CFR, 1948 Supp.)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] HARRY B. MITCHELL,
Chairman.

[F. R. Doc. 50-2731; Filed, Mar. 31, 1950; 8:56 a. m.]

1359

PART 25—FEDERAL EMPLOYEES' PAY REGULATIONS

SUBPART B—GENERAL COMPENSATION RULES

1. Effective 30 days after publication in the FEDERAL REGISTER, § 25.103 of this subpart is amended by the addition of paragraph (d) as set out below.

§ 25.103 *General provisions.* • • •

(d) Where an employee occupies a position not subject to the Classification Act, and the employee together with his position is initially brought under the Classification Act of 1949 pursuant to the Reorganization Act of 1949 or other legislation, an Executive order of the President, or decision of the Civil Service Commission under section 203 of the Classification Act of 1949, the provisions of § 25.104 (b) (1) to (5), inclusive, shall apply in determining the employee's initial rate of basic compensation. This provision shall apply only so long as the employee continues to occupy the same position.

(1) The rate of basic compensation of a subsequent appointee to such position shall be fixed in accordance with the other applicable provisions in this subpart.

2. Section 25.104 of this subpart is amended by deleting "802" from the first sentence of paragraph (b). This change is retroactively effective as of the first day of the first pay period following enactment of the Classification Act of 1949. As amended, paragraph (b) reads as follows:

§ 25.104 *Special provisions.* • • •

(b) Under the authority of sections 1101 and 1105 (b) of the Classification Act of 1949, establishment of initial salary rates of basic compensation for employees who on an effective date specified by the Commission under section 1105 (b) of the Classification Act of 1949 occupy positions under that act which immediately prior to October 28, 1949, were exempt from the Classification Act of 1923, as amended (including positions in grade 9 of the professional and scientific service or in grade 16 of the clerical, administrative, and fiscal service referred to in section 13 of such act), shall be as follows:

(1) If the employee is receiving a rate of basic compensation less than the minimum scheduled rate of the grade in which his position is placed, his compensation shall be increased to the minimum rate.

(2) If the employee is receiving a rate of basic compensation within the range of salary prescribed for the grade in which his position is placed, at one of the rates fixed therein, no change shall be made in his existing rate.

(3) If the employee is receiving a rate of basic compensation within the range

(Continued on next page)

CONTENTS

	Page
Agriculture Department	
See Forest Service; Production and Marketing Administration.	
Alien Property, Office of	
Notices:	
Vesting orders, etc.:	
Eichengruen, Hans Edgar	1883
Fischer Judith	1884
Koester, Lucy	1884
Lorenzen, Ingeline H	1884
Pinkus, Rudolf, and Alfred Leopold	1884
Sitar, Veronica, and Regina Byczkowski	1883
Societe Anonyme Chimie et Atomistique	1883
Societe Securit's E. D. L. C	1884
Civil Aeronautics Board	
Notices:	
Through service investigation; Twin Cities-Washington, Detroit-Washington; hearing	1877
Rules and regulations:	
Air freight forwarders, international	1866
Civil Service Commission	
Rules and regulations:	
Exceptions from the competitive service; Department of Labor	1861
Federal employees' pay regulations; general compensation rules	1861
Defense Department	
See Munitions Board.	
Federal Communications Commission	
Notices:	
Hearings, etc.:	
Coastal Broadcasting Co. (WHIT) and Commonwealth Broadcasting Corp. (WELS)	1878
Coston-Tompkins Broadcasting Co. and David W. Jeffries	1878
Sooner Broadcasting Co. (KTOW)	1878
West Texas Broadcasters, Inc. et al	1878

FEDERAL REGISTER

Published daily, except Sundays, Mondays, and days following official Federal holidays, by the Division of the Federal Register, National Archives and Records Service, General Services Administration, pursuant to the authority contained in the Federal Register Act, approved July 26, 1935 (49 Stat. 500, as amended; 44 U. S. C., ch. 8B), under regulations prescribed by the Administrative Committee of the Federal Register, approved by the President. Distribution is made only by the Superintendent of Documents, Government Printing Office, Washington 25, D. C.

The regulatory material appearing herein is keyed to the Code of Federal Regulations, which is published, under 50 titles, pursuant to section 11 of the Federal Register Act, as amended June 19, 1937.

The FEDERAL REGISTER will be furnished by mail to subscribers, free of postage, for $1.50 per month or $15.00 per year, payable in advance. The charge for individual copies (minimum 15¢) varies in proportion to the size of the issue. Remit check or money order, made payable to the Superintendent of Documents, directly to the Government Printing Office, Washington 25, D. C.

There are no restrictions on the republication of material appearing in the FEDERAL REGISTER.

1949 Edition

CODE OF FEDERAL REGULATIONS

The following books are now available:

Title 43 ($4.25)
Titles 47–48 ($4.50)

Previously announced: Title 3, 1948 Supp. ($2.75); Titles 4–5 ($2.25); Title 6 ($3.00); Title 7: Parts 1–201 ($4.25); Parts 210–874 ($2.75); Parts 900 to end ($3.50); Title 8 ($2.75); Title 9 ($2.50); Titles 10–13 ($2.25); Title 14: Parts 1–399 ($3.50); Parts 400 to end ($2.25); Title 15 ($2.50); Title 16 ($3.50); Title 17 ($2.75); Title 18 ($2.75); Title 19 ($3.25); Title 20 ($2.75); Title 21 ($2.50); Titles 22–23 ($2.25); Title 24 ($2.75); Title 25 ($2.75); Title 26: Parts 1–79 ($4.00); Parts 80–169 ($2.75); Parts 170–182 ($3.25); Parts 183–299 ($3.50); Parts 300 to end, and Title 27 ($3.50); Titles 28–29 ($2.50); Titles 30–31 ($3.25); Titles 32 and 34 ($4.50); Title 33 ($3.50); Titles 35–37 ($3.00); Title 38 ($3.50); Title 39 ($4.50); Titles 40–42 ($2.50); Titles 44 and 45 ($2.25); Title 46: Parts 1–145 ($3.75); Parts 146 to end ($4.25); Title 50 ($2.25)

Order from Superintendent of Documents, Government Printing Office, Washington 25, D. C.

CONTENTS—Continued

Federal Communications Commission—Continued Page
Notices—Continued
Organization statement; Office of Formal Hearing Assistants 1877

Federal Communications Commission—Continued Page
Proposed rule making:
Television broadcast service 1875

Federal Power Commission
Notices:
Butte County, Calif.; hearing 1879

Forest Service
Notices:
Tonto National Forest, Ariz.; removal of trespassing horses and burros 1877

Interior Department
See Land Management, Bureau of.

Interstate Commerce Commission
Notices:
Applications for relief:
Briquettes, coke, from Superior, Wis., to points in Wisconsin 1880
Paper, scrap, from southwest to Minnesota and Wisconsin 1880
Pulpboard from Mobile, Ala., to Atlanta, Ga 1879
Rock, phosphate, from Florida to Hattiesburg, Miss 1879
Rubber from Louisville, Ky., to the South 1880
Genesee and Wyoming Railroad Co.; rerouting or diversion of traffic 1880

Justice Department
See Alien Property, Office of.

Land Management, Bureau of
Rules and regulations:
Alaska; reservation of public land for highway purposes, appropriations of adjoining land 1874

Munitions Board
Rules and regulations:
National Security Clause; procedures for transfers of property 1870

Production and Marketing Administration
Proposed rule making:
Milk handling in Nashville, Tenn., area 1875
Rules and regulations:
Limitation of shipments:
California and Arizona:
Lemons 1864
Oranges 1864
Oranges, grapefruit, and tangerines grown in Florida (2 documents) 1863

Securities and Exchange Commission
Notices:
Hearings, etc.:
Pan American World Airways, Inc. (2 documents) 1881
Paramount Pictures Corp. (2 documents) 1880, 1881
Philadelphia Co. et al 1882
Pittsburgh Railways Co. and Philadelphia Co 1881
Proposed rule making:
Exemption of warrants 1876

Securities and Exchange Commission—Continued Page
Rules and regulations:
Securities Exchange Act of 1934:
Forms for reports as to stabilization 1869
Quarterly reports 1868
Reports of certain stabilizing activities 1869

Treasury Department
Rules and regulations:
Foreign moneys, value; quarter beginning April 1950 1869

Veterans' Administration
Rules and regulations:
Vocational rehabilitation and education; registration and research 1874

CODIFICATION GUIDE

A numerical list of the parts of the Code of Federal Regulations affected by documents published in this issue. Proposed rules, as opposed to final actions, are identified as such.

Title 3 Page
Chapter II (Executive orders):
9830 (see T. 5, Part 6) 1861

Title 5
Chapter I:
Part 6 1861
Part 25 1861

Title 7
Chapter IX:
Part 933 (2 documents) 1863
Part 953 1864
Part 966 1864
Part 978 (proposed) 1875

Title 14
Chapter I:
Part 297 1866

Title 17
Chapter II:
Part 240 (2 documents) 1868, 1869
Proposed rules 1876
Part 249 1869
Proposed rules 1876

Title 31
Chapter I:
Part 129 1869

Title 32
Chapter I:
Part 113 1870

Title 38
Chapter I:
Part 21 1874

Title 43
Chapter I:
Part 74 1874

Title 47
Chapter I:
Part 3 (proposed) 1875

of salary prescribed for the grade in which his position is placed, but not at one of the rates fixed therein, his compensation shall be increased to the next higher rate.

(4) If the employee is receiving a rate of basic compensation in excess of the maximum scheduled rate for the grade in which his position is initially placed, no change shall be made in his existing rate.

(5) After salary rates have been initially established, an employee may subsequently receive an increase in compensation by reason of the operation of Titles V and VII, section 802 (b) of Title VIII, or Title X. An employee whose salary was initially established under the foregoing provisions in a position which is later changed to a lower grade without material change of duties and responsibilities, shall be paid at the rate he received immediately prior to the date his position became subject to the act, or at a higher rate authorized by the provisions of § 25.103.

(6) The rate of basic compensation of a subsequent appointee to such position shall be fixed in accordance with the other applicable provisions in this subpart.

(Sec. 1101, Pub. Law 429, 81st Cong.)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] HARRY B. MITCHELL,
Chairman.

[F. R. Doc. 50-2730; Filed, Mar. 31, 1950; 8:56 a. m.]

1360

TITLE 7—AGRICULTURE

Chapter IX—Production and Marketing Administration (Marketing Agreements and Orders), Department of Agriculture

[Tangerine Reg. 97]

PART 933—ORANGES, GRAPEFRUIT, AND TANGERINES GROWN IN FLORIDA

LIMITATION OF SHIPMENTS

§ 933.476 *Tangerine Regulation 97*—(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 33, as amended (7 CFR Part 933), regulating the handling of oranges, grapefruit, and tangerines grown in the State of Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended, and upon the basis of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of tangerines, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective not later than April 3, 1950. Shipments of tangerines, grown in the State of Florida, have been subject to regulation by grades and sizes, pursuant to the amended marketing agreement and order, since October 31, 1949, and will so continue until April 3, 1950; the recommendation and supporting information for continued regulation subsequent to April 2 was promptly submitted to the Department after an open meeting of the Growers Administrative Committee on March 28; such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time thereof, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such tangerines; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of tangerines; and compliance with this section will not require any special preparation on the part of persons subject thereto which cannot be completed by the effective time hereof.

(b) *Order.* (1) Tangerine Regulation 96 (7 CFR 933.475; 15 F. R. 1027) is hereby terminated as of the effective time of this section.

(2) During the period beginning at 12:01 a. m., e. s. t., April 3, 1950, and ending at 12:01 a. m., e. s. t., July 31, 1950, no handler shall ship:

(i) Any tangerines, grown in the State of Florida, that do not grade at least U. S. No. 2; or

(ii) Any tangerines, grown in the State of Florida, which are of a size smaller than the size that will pack 294 tangerines, packed in accordance with the requirements of a standard pack, in a half-standard box (inside dimensions 9½ x 9½ x 19⅛ inches; capacity 1,726 cubic inches).

(3) As used in this section, "handler," "ship," and "Growers Administrative Committee" shall have the same meaning as when used in said amended marketing agreement and order; and "U. S. No. 2" and "standard pack" shall have the same meaning as when used in the United States Standards for Tangerines (7 CFR 51.416).

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup., 608c.)

Done at Washington, D. C., this 30th day of March 1950.

[SEAL] M. W. BAKER,
Acting Director, Fruit and Vegetable Branch, Production and Marketing Administration.

[F. R. Doc. 50-2769; Filed, Mar. 31, 1950; 9:07 a. m.]

1361

[Orange Reg. 180]

PART 933—ORANGES, GRAPEFRUIT, AND TANGERINES GROWN IN FLORIDA

LIMITATION OF SHIPMENTS

§ 933.477 *Orange Regulation 180*—(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 33, as amended (7 CFR Part 933), regulating the handling of oranges, grapefruit, and tangerines grown in the State of Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended, and upon the basis of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of oranges, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective not later than April 3, 1950. Shipments of oranges, grown in the State of Florida, have been subject to regulation by grades and sizes, pursuant to the amended marketing agreement and order, since September 12, 1949, and will so continue until April 3, 1950; the recommendation and supporting information for continued regulation subsequent to April 2 was promptly submitted to the Department after an open meeting of the Growers Administrative Committee on March 28; such meeting was held to consider recommendations for regulations, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time thereof, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such oranges; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of oranges; and compliance with this section will not require any special preparation on the part of persons subject thereto which cannot be completed by the effective time hereof.

(b) *Order.* (1) Orange Regulation 179 (7 CFR 933.470; 15 F. R. 615) is hereby terminated as of the effective time of this section.

(2) During the period beginning at 12:01 a. m., e. s. t., April 3, 1950, and ending at 12:01 a. m., e. s. t., July 31, 1950, no handler shall ship:

(i) Any oranges, except Temple oranges, grown in Regulation Area I which grade U. S. No. 1 Russet, U. S. No. 2 Bright, U. S. No. 2, U. S. No. 2 Russet, U. S. No. 3, or lower than U. S. No. 3 grade;

(ii) Any oranges, except Temple oranges, grown in Regulation Area II which

grade U. S. No. 2 Russet, U. S. No. 3, or lower than U. S. No. 3 grade;

(iii) Any oranges, except Temple oranges, grown in Regulation Area II which grade U. S. No. 2 or U. S. No. 2 Bright unless such oranges (*a*) are in the same container with oranges which grade at least U. S. No. 1 Russet and (*b*) are not in excess of 50 percent, by count, of the number of all oranges in such container; or

(iv) Any oranges, except Temple oranges, grown in Regulation Area I or Regulation Area II which are of a size smaller than a size that will pack 324 oranges, packed in accordance with the requirements of a standard pack, in a standard nailed box.

(3) As used in this section, the terms "handler," "ship," "Regulation Area I," "Regulation Area II," and "Growers Administrative Committee" shall each have the same meaning as when used in said amended marketing agreement and order; and the terms "U. S. No. 1 Russet," "U. S. No. 2 Bright," "U. S. No. 2," "U. S. No. 2 Russet," "U. S. No. 3," "standard pack," "container," and "standard nailed box" shall each have the same meaning as when used in the revised United States Standards for Oranges (7 CFR 51.192; 14 F. R. 6831).

(4) Shipments of Temple oranges grown in the State of Florida are subject to the provisions of Orange Regulation 177 (7 CFR 933.465; 15 F. R. 52).

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup. 608c)

Done at Washington, D. C., this 30th day of March 1950.

[SEAL] M. W. BAKER,
Acting Director, Fruit and Vegetable Branch, Production and Marketing Administration.

[F. R. Doc. 50-2770; Filed, Mar. 31, 1950; 9:07 a. m.]

1362

[Lemon Reg. 324]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

LIMITATION OF SHIPMENTS

§ 953.431 *Lemon Regulation 324*—(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953; 14 F. R. 3612), regulating the handling of lemons grown in the State of California or in the State of Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of the quantity of such lemons which may be handled, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. Shipments of lemons, grown in the State of California or in the State of Arizona, are currently subject to regulation pursuant to said amended order; the recommendation and supporting information for regulation during the period specified herein was promptly submitted to the Department after an open meeting of the Lemon Administrative Committee on March 29, 1950, such meeting was held, after giving due notice thereof to consider recommendations for regulation, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such lemons; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter specified; and compliance with this section will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time thereof.

(b) *Order.* (1) The quantity of lemons grown in the State of California or in the State of Arizona which may be handled during the period beginning at 12:01 a. m., P. s. t., April 2, 1950, and ending at 12:01 a. m., P. s. t., April 9, 1950, is hereby fixed as follows:

(i) District 1: Unlimited movement;

(ii) District 2: 325 carloads;

(iii) District 3: Unlimited movement.

(2) The prorate base of each handler who has made application therefor, as provided in the said amended marketing agreement and order, is hereby fixed in accordance with the prorate base schedule which is attached to Lemon Regulation No. 323 (15 F. R. 1676), and made a part hereof by this reference.

(3) As used in this section, "handled," "handler," "carloads," "prorate base," "District 1," "District 2" and "District 3," shall have the same meaning as when used in the said amended marketing agreement and order.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup. 608c)

Done at Washington, D. C., this 30th day of March 1950.

[SEAL] M. W. BAKER,
Acting Director, Fruit and Vegetable Branch, Production and Marketing Administration.

[F. R. Doc. 50-2785; Filed, Mar. 31, 1950; 8:58 a. m.]

1363

[Orange Reg. 321]

PART 966—ORANGES GROWN IN CALIFORNIA AND ARIZONA

LIMITATION OF SHIPMENTS

§ 966.467 *Orange Regulation 321*—(a) *Findings.* (1) Pursuant to the provisions of Order No. 66, as amended (7 CFR Part 966; 14 F. R. 3614), regulating the handling of oranges grown in the State of California or in the State of Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and upon the basis of the recommendation and information submitted by the Orange Administrative Committee, established under the said amended order, and upon other available information, it is hereby found that the limitation of the quantity of such oranges which may be handled, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. Shipments of oranges, grown in the State of California or in the State of Arizona, are currently subject to regulation pursuant to said amended order; the recommendation and supporting information for regulation during the period specified herein was promptly submitted to the Department after an open meeting of the Orange Administrative Committee on March 30, 1950; such meeting was held, after giving due notice thereof to consider recommendations for regulation, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such oranges; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter specified; and compliance with this section will not require any special preparation on the part of persons subject thereto which cannot be completed by the effective time thereof.

(b) *Order.* (1) The quantity of oranges grown in the State of California or in the State of Arizona which may be handled during the period beginning at 12:01 a. m., P. s. t., April 2, 1950, and ending at 12:01 a. m., P. s. t., April 9, 1950, is hereby fixed as follows:

(i) *Valencia oranges.* (*a*) Prorate District No. 1: 3 carloads;

(b) Prorate District No. 2: No movement;

(c) Prorate District No. 3: Unlimited movement.

(ii) *Oranges other than Valencia oranges.* (a) Prorate District No. 1: Unlimited movement;

(b) Prorate District No. 2: 1,150 carloads;

(c) Prorate District No. 3: Unlimited movement.

(2) The prorate base of each handler who has made application therefor, as provided in the said amended order, is hereby fixed in accordance with the prorate base schedule which is attached hereto and made a part hereof by this reference.

(3) As used in this section, "handled," "handler," "varieties," "carloads," and "prorate base" shall have the same meaning as when used in the said amended order; and the terms "Prorate District No. 1," "Prorate District No. 2," and "Prorate District No. 3" shall have the same meaning as given to the respective term in § 966.107 of the current rules and regulations (14 F. R. 6588) contained in this part.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup., 608c)

Done at Washington, D. C., this 31st day of March 1950.

[SEAL] M. W. BAKER,
Acting Director, Fruit and Vegetable Branch, Production and Marketing Administration.

PRORATE BASE SCHEDULE

[12:01 a. m. April 2, 1950 to 12:01 a. m. April 9, 1950]

VALENCIA ORANGES

Prorate District No. 1

Handler	Prorate base (percent)
Total	100.0000
A. F. G. Lindsay	4.5066
A. F. G. Porterville	2.8689
Ivanhoe Cooperative Association	.3943
Dofflemyer & Son, W. Todd	.4894
Elderwood Citrus Association	1.0893
Exeter Citrus Association	2.9808
Exeter Orange Growers Association	.6881
Hillside Packing Association	3.5075
Ivanhoe Mutual Orange Association	1.0073
Klink Citrus Association	5.7891
Lemon Cove Association	1.5083
Lindsay Citrus Growers Association	3.1159
Lindsay Cooperative Citrus Association	2.9406
Lindsay Fruit Association	1.9893
Lindsay Orange Growers Association	.7569
Orange Cove Orange Growers	1.8441
Orange Packing Co	.9747
Orosi Foothill Citrus Association	1.6605
Rocky Hill Citrus Association	2.6232
Sanger Citrus Association	2.3970
Sequoia Citrus Association	1.3492
Stark Packing Corp	5.6615
Visalia Citrus Association	3.3801
Waddell & Son	2.8229
Baird-Neece Corp	1.9663
Grand View Heights Citrus Association	5.6711
Magnolia Citrus Association	8.2193
Porterville Citrus Association, The	.8970

PRORATE BASE SCHEDULE—Continued

VALENCIA ORANGES—continued

Prorate District No. 1—Continued

Handler	Prorate base (percent)
Richgrove-Jasmine Citrus Association	1.8667
Strathmore Cooperative Association	4.0122
Strathmore District Orange Association	2.2228
Strathmore Fruit Growers Association	1.8219
Strathmore Packing Association	1.6823
Sunflower Packing Association	2.3793
Sunland Packing House Co	4.5503
Tule River Citrus Association	.8313
Martin Ranch	1.4298
Anderson Packing Co., R. M	.8193
Baker Bros	.8755
California Citrus Groves, Inc., Ltd	1.1093
Currier, Walter C	.0088
Darby, Fred J	.0437
Field, W. D	.0028
Kim, Charles	.0088
Maas, W. A	.0467
Marks, W. & M	.2054
Randolph Marketing Co	2.0220
Reimers, Don H	.0906
Rooke Packing Co., B. G	3.8676
Shong, Samuel	.1457
Sivesind, Carl G	.0087
Woodlake Hts. Packing Corp	1.2793
Zaninovich Bros	.5700

ALL ORANGES OTHER THAN VALENCIA ORANGES

Prorate District No. 2

Handler	Prorate base (percent)
Total	100.0000
A. F. G. Alta Loma	.5470
A. F. G. Corona	.1016
A. F. G. Fullerton	.0000
A. F. G. Orange	.0000
A. F. G. Riverside	.6770
A. F. G. Santa Paula	.0263
Eadington Fruit Co	.0000
Hazeltine Packing Co	.1761
Placentia Pioneer Valencia Growers Association	.0000
Signal Fruit Association	.9786
Azusa Citrus Association	1.0875
Damerel-Allison Co	1.0488
Glendora Mutual Orange Association	.4824
Puente Mutual Citrus Association	.0393
Valencia Heights Orchard Association	.2054
Covina Citrus Association	1.3215
Covina Orange Growers Association	.4606
Glendora Citrus Association	.9862
Gold Buckle Association	3.9027
La Verne Orange Association	5.1592
Anaheim Citrus Fruit Association	.0000
Anaheim Valencia Orange Association	.0000
Fullerton Mutual Orange Association	.0000
La Habra Citrus Association	.0000
Orange County Valencia Association	.0000
Orangethorpe Citrus Association	.0000
Yorba Linda Citrus Association	.0000
Escondido Orange Association	.0000
Alta Loma Heights Citrus Association	.3237
Citrus Fruit Growers	.7449
Cucamonga Citrus Association	.2805
Etiwanda Citrus Fruit Association	.2164
Mountain View Fruit Association	.1186
Old Baldy Citrus Association	.4355
Rialto Heights Orange Growers	.5349
Upland Citrus Association	2.7060
Upland Heights Orange Association	1.1909
Consolidated Orange Growers	.0000
Frances Citrus Association	.0000
Garden Grove Citrus Association	.0000

PRORATE BASE SCHEDULE—Continued

ALL ORANGES OTHER THAN VALENCIA ORANGES—continued

Prorate District No. 2—Continued

Handler	Prorate base (percent)
Goldenwest Citrus Association, The	0.0000
Olive Heights Citrus Association	.0000
Santa Ana-Tustin Mutual Citrus Association	.0000
Santiago Orange Growers Association	.0000
Tustin Hills Citrus Association	.0000
Villa Park Orchard Association, Inc	.0000
Bradford Bros., Inc	.0000
Placentia Cooperative Orange Association	.0000
Placentia Mutual Orange Association	.0000
Placentia Orange Growers Association	.0000
Yorba Orange Growers Association	.0000
Call Ranch	.6598
Corona Citrus Association	.8778
Jameson Co	.5280
Orange Heights Orange Association	1.7466
Crafton Orange Association	1.6432
East Highlands Citrus Association	.4505
Pontana Citrus Association	.4817
Redlands Heights Groves	1.0287
Redlands Orangedale Association	1.1160
Break & Sons, Allen	.2486
Bryn Mawr Fruit Growers	1.0568
Mission Citrus Association	1.0092
Redlands Cooperative Fruit Association	1.7378
Redlands Orange Growers Association	1.1852
Redlands Select Groves	.4981
Rialto Citrus Association	.5732
Rialto Orange Co	.4173
Southern Citrus Association	1.1499
United Citrus Growers	.6441
Zilen Citrus Co	.3837
Andrews Brothers of California	.5058
Arlington Heights Citrus Co	1.0298
Brown Estate, L. V. W	1.9087
Gavilan Citrus Association	1.8950
Highgrove Fruit Association	.6434
Krinard Packing Co	1.5669
McDermont Fruit Co	1.6743
Monte Vista Citrus Association	1.3904
National Orange Co	.8064
Riverside Heights Orange Growers Association	1.1273
Sierra Vista Packing Association	.7824
Victoria Avenue Citrus Association	2.8622
Claremont Citrus Association	.9069
College Heights Orange and Lemon Association	1.8250
Indian Hill Citrus Association	1.1768
Pomona Fruit Growers Exchange	2.0609
Walnut Fruit Growers Association	.4987
West Ontario Citrus Association	1.1381
El Cajon Valley Citrus Association	.1636
Escondido Cooperative Citrus Association	.0317
San Dimas Orange Growers Association	1.0600
Canoga Citrus Association	.0983
Covina Valley Orange Co	.0294
North Whittier Heights Citrus Association	.1446
San Fernando Fruit Growers Association	.3904
San Fernando Heights Orange Association	.3867
Sierra Madre-Lamanda Citrus Association	.1927
Camarillo Citrus Association	.0090
Fillmore Citrus Association	1.2072
Ojai Orange Association	1.0580
Piru Citrus Association	1.0868
Rancho Sespe	.0017
Santa Paula Orange Association	.0840
Tapo Citrus Association	.0077
Ventura County Citrus Association	.0313
East Whittier Citrus Association	.0000

PRORATE BASE SCHEDULE—Continued

ALL ORANGES OTHER THAN VALENCIA ORANGES—continued

Prorate District No. 2—Continued

Handler	Prorate base (percent)
Whittier Citrus Association	0.0000
Whittier Select Citrus Association	.0000
Anaheim Cooperative Orange Association	.0000
Bryn Mawr Mutual Orange Association	.5394
Chula Vista Mutual Lemon Association	.0934
Euclid Avenue Orange Association	2.8372
Foothill Citrus Union, Inc	.3217
Fullerton Cooperative Orange Association	.0000
Golden Orange Groves, Inc	.2197
Highland Mutual Groves, Inc	.2825
Index Mutual Association	.0042
La Verne Cooperative Citrus Association	3.1658
Mentone Heights Association	.6082
Olive Hillside Groves	.0000
Orange Cooperative Citrus Association	.0000
Redlands Foothill Groves	2.8651
Redlands Mutual Orange Association	1.1370
Ventura County Orange & Lemon Association	.3171
Whittier Mutual Orange & Lemon Association	.0000
Allec Bros	.0000
Associated Fruit Distributors, Inc	.0530
Babijuice Corp. of California	.3496
Banks, L. M	.0000
Borden Fruit Co	.0429
Bostick, Mrs. Mattie Welsh	.0000
Cherokee Citrus Co., Inc	1.1652
Chess Co., Meyer W	.4857
Coate, Elwood E	.0000
Dunning Ranch	.1645
Evans Brothers Packing Co	1.1640
Gold Banner Association	2.2573
Granada Hills Packing Co	.0198
Granada Packing House	.3423
Hill, Fred A., Packing House	.8023
Knapp Packing Co., John C	.0000
Orange Belt Fruit Distributors	2.1535
Panno Fruit Co., Carlo	.0486
Paramount Citrus Association	.3697
Placentia Orchard Co	.0000
Prescoot, John A	.0000
Riverside Citrus Association	.2442
Russell, John W	.0008
San Antonio Orchard Co	1.3853
Stephens, T. F	.1170
Summit Citrus Packers	.0265
Torn Ranch	.0195
Wall, E. T., Growers-Shippers	1.9236
Western Fruit Growers, Inc	3.5092

[F. R. Doc. 50-2807; Filed, Mar. 31, 1950; 11:18 a. m.]

1366-1369

TITLE 14—CIVIL AVIATION

Chapter I—Civil Aeronautics Board

[Regs., Serial No. ER-155]

PART 297—INTERNATIONAL AIR FREIGHT FORWARDERS

Adopted by the Civil Aeronautics Board at its office in Washington, D. C., on the 8th day of September 1949.

At the present time air carriers of property only which are not directly engaged in the operation of aircraft (herein called "indirect air carriers") are prohibited from engaging in any overseas or foreign air transportation whatsoever, unless there is in force a certificate of public convenience and necessity issued by the Board authorizing such carriers to engage in such transportation.

The purposes of this regulation are (1) to establish a classification of indirect air carriers engaging in overseas and foreign air transportation to be designated "International Air Freight Forwarders," (2) subject to the terms and conditions hereinafter set forth, to relieve such air carriers from the prohibition above referred to and from certain other provisions of the act, and (3) to provide for the regulation of and limitations upon the operations which such air carriers may conduct pursuant to the permission thus given.

Based upon the findings set forth in the Board's opinion in the Air Freight Forwarder Case (International), Docket No. 681 et al., issued concurrently herewith, to which reference is hereby made, and which opinion is incorporated herein as though set forth in full, the Board finds that it is in the public interest to relieve indirect air carriers which are within the classification of International Air Freight Forwarders from the provisions of the act to the extent, upon the terms and conditions, and for the periods, hereinafter set out.

The Board further finds that the classification of International Air Freight Forwarders hereby established is a just and reasonable classification in view of the nature of the services performed by such carriers, and that the regulations and limitations hereby promulgated to be applicable to and observed by such class of air carriers are necessary and desirable in the public interest.

In consideration of the foregoing the Civil Aeronautics Board hereby amends the Economic Regulations by adding thereto a new Part 297 effective April 24, 1950, reading as follows:

DEFINITION

Sec.
297.1 International air freight forwarder.

CLASSIFICATION AND EXEMPTION

297.6 Classification.
297.7 Exemption.
297.8 Duration.

LIMITATIONS AND CONDITIONS

297.11 Use of aircraft.
297.12 Prohibition on operations unless tariffs are observed.
297.13 Retention of certain officials prohibited.

LETTERS OF REGISTRATION

297.16 Necessity for letter of registration.
297.17 Application.
297.18 Issuance.
297.19 Effective period.
297.20 Restrictions on issuance.
297.21 Nontransferability.
297.22 Suspension.
297.23 Revocation.

INSURANCE

297.26 Cargo.
297.27 Public liability and property damage.
297.28 Minimum coverage.

GENERAL

297.31 Payment of transportation charges.
297.32 Nonapplicability.
297.33 Separability.

AUTHORITY: §§ 297.1 to 297.33 issued under secs. 1, 205, 416, 52 Stat. 977, 984, 1004; 49 U. S. C. 401, 425, 496.

DEFINITIONS

§ 297.1 *International air freight forwarder.* An "international air freight forwarder" shall be defined to mean any citizen of the United States which engages indirectly in overseas or foreign air transportation of property only and does not engage directly in the operation of aircraft in air transportation, and which, in the ordinary and usual course of his undertaking, (a) assembles and consolidates or provides for assembling and consolidating such property, or performs or provides for the performance of break-bulk and distributing operations with respect to such consolidated shipments, or both, (b) assumes responsibility for the transportation of such property from the point of receipt to point of destination, and (c) utilizes for the whole or any part of the transportation of such shipments, the services of a direct air carrier or foreign air carrier subject to the act.

CLASSIFICATION AND EXEMPTION

§ 297.6 *Classification.* There is hereby established a classification of air carriers to be designated as "international air freight forwarders," which consists of all international air freight forwarders as defined in § 297.1.

§ 297.7 *Exemption.* Subject to the other provisions of this part, international air freight forwarders which are within the classification established in § 297.6 are hereby relieved from the provisions of Title VI of the act, and from the following provisions of Title IV of the act:

(a) Subsection 401 (a);

(b) Subsection 404 (a) only insofar as it relates to joint rates, fares, and charges, and divisions thereof;

(c) Subsection 405 (e);

Provided, That no provision of any rule, regulation, term, condition or limitation prescribed pursuant to subsections 407 (a) or (d) shall be applicable to such forwarders unless such rule, regulation, term, condition or limitation expressly so provides. Except to the extent that exemption is granted herein, international air freight forwarders are subject to all provisions of the act and regulations issued pursuant thereto to the extent that such provisions are by their terms applicable.

§ 297.8 *Duration.* The temporary authority provided by this part shall continue in effect until such time as the Board shall find that the exemption accorded herein is no longer in the public interest, but in no event longer than 5 years and four months from the effective date of this part.

LIMITATIONS AND CONDITIONS

§ 297.11 *Use of aircraft.* In respect to operations conducted pursuant to the authority provided in this part no international air freight forwarder shall ship property by air in overseas or foreign air transportation except upon aircraft operated in scheduled common carrier service by air carriers or foreign air carriers under certificates of public convenience and necessity or under foreign air carrier permits issued by the Board.

§ 297.12 *Prohibition on operations unless tariffs are observed.* No international air freight forwarder shall ship property as an air carrier in overseas or

foreign air transportation unless it pays the direct air carrier or foreign air carrier transporting such property the rates and charges specified in the currently effective tariffs of such direct air carrier or foreign air carrier for such transportation; and no such forwarder shall demand, collect, accept, or receive, in any manner or by any device, directly or indirectly, or through any agent or broker, or otherwise, any portion of the rates or charges so specified in the tariffs of such direct air carrier or foreign air carrier, and shall not demand, accept, or receive, either directly or indirectly, any privilege, service or facility except those specified in the currently effective tariff of such air carrier or foreign air carrier.

§ 297.13 *Retention of certain officials prohibited.* No international air freight forwarder shall have or retain, as an owner, partner, officer, director or stockholder holding a controlling interest, any person who was, or is affiliated in any of said capacities with another international air freight forwarder, air freight forwarder, or irregular air carrier if the letter of registration or exemption privilege of such carrier or forwarder was suspended or revoked by the Board on account of acts or omissions which occurred during the time of such connection, unless it has first been shown to the Board by such forwarder, and the Board finds that the public interest and such forwarder's intention and ability to conform to the provisions of the act and requirements thereunder will not be adversely affected thereby.

LETTERS OF REGISTRATION

§ 297.16 *Necessity for letter of registration.* No person shall engage in overseas or foreign air transportation pursuant to the exemption granted by this part unless there is in force with respect to such person a letter of registration issued by the Board pursuant to this part.

§ 297.17 *Application.* Any person other than those specified in § 297.32 desiring to engage in operation as an international air freight forwarder may apply to the Board for a letter of registration pursuant to this part. Such application shall be submitted in duplicate in letter form, shall be certified to by a responsible official of such carrier as being correct, and shall contain the following information: (a) Date; (b) name of international air freight forwarder; (c) mailing address; (d) location of principal office; (e) if a corporation, the state of incorporation, the name and citizenship of officers and directors, and a statement that at least 75 percent of the voting interest is owned or controlled by persons who are citizens of the United States or one of its possessions; (f) the names of the largest stockholders, not exceeding 20, who hold, individually, directly or indirectly, 1 percent or more of the voting capital stock of the applicant; (g) if an individual or partnership, the name and citizenship of the owner or partners, and a statement of the respective interests of each; (h) financial statements showing: Profit and loss for the year ended as of a date not exceeding 6 months prior to the filing of the application with a separation of revenue items relating to the transportation of cargo by aircraft, to distinguish between agency and forwarding activities and a separation of expense items to indicate payments to direct air carriers for the transportation of goods in relation to agency and forwarding activities; a balance sheet showing assets and liabilities as of a date not exceeding 6 months prior to the date of filing the application; and a statement showing the types and amounts of insurance, which is in force for the protection of the forwarder's customers and the public and the name or names of the insurers; (i) a statement of specific points in foreign countries and in U. S. territories and possessions to be served; a list and location of foreign branch offices, agents, affiliates, or other representatives presently under contract; a list and location of branch offices and agents in the United States, its territories and possessions; a statement whether the applicant is or has been a customs house broker, and if so, the districts wherein such authority is or has been held; a statement whether the applicant is or has been an International Air Transport Association agent, and if so, the carriers with whom affiliated and the amount of commissions received from each during the year ended as of a date not exceeding six months prior to the filing of the application; a statement whether the applicant is or has been a surface forwarder, and if so, the names of the surface carriers with which he dealt in fiscal year ended June 30, 1949; and a statement of the number of shipments generated and the tonnage delivered to the respective carriers (rail, water, and air,) each in the aggregate, during fiscal year ended June 30, 1949; (j) whether or not any of the persons required to be listed under paragraphs (e), (f), and (g) of this section, has at any time been issued, either in his own name or some other name, any letter of registration or other license or operating authority by the Board, either as an irregular air carrier or air freight forwarder or otherwise, or is, or has been, affiliated as owner, partner, officer, director, or stockholder holding a controlling interest, with any other air carrier or carriers, either certificated or noncertificated, direct or indirect, together with the names of such other air carrier or carriers; (k) the information required in a "Report of Ownership of Stock" (CAB Form 2786; available from the Board's Publications Section) with respect to each officer and director, if a corporation or association; with respect to each partner or member, if a partnership; or with respect to the owner where the business is conducted by an individual; and (l) such other additional information pertinent to applicant's activities as may be voluntarily submitted to or requested by the Board with respect to any individual application.

§ 297.18 *Issuance.* (a) If, after the filing of an application for a letter of registration, it appears that the applicant is capable of performing the overseas or foreign air transportation as an international air freight forwarder, and of conforming to the provisions of the act and rules and requirements thereunder, and that the conduct of such operations by the applicant will not be inconsistent with the public interest, the applicant will be notified and advised that upon the filing of a valid tariff a letter of registration will be issued to such applicant. Subject to the restrictions provided herein and upon the receipt by the Board of such a valid tariff a letter of registration shall forthwith be issued to the applicant. If it appears that the applicant has not made a due showing of capability or that the operations of the applicant will not be consistent with the public interest, the Board shall by letter notify the applicant to that effect. The Board may dismiss any such application unless within 30 days of the date of the mailing of such letter, the applicant has in writing requested reconsideration, submitted such additional information as it believes will make the necessary showing, or requested that the application be assigned for hearing, in which case the applicant shall outline the evidence to be presented at such hearing and shall show the need for hearing in order to properly present its case.

(b) In the event that reconsideration is requested, additional information is submitted, or the Board finds that no sufficient need for a hearing has been shown, the Board may, without notice or hearing, enter an order of approval or of disapproval in accordance with its determination upon the showing made, or on its own initiative may assign the application for hearing.

§ 297.19 *Effective period.* Each letter of registration shall become effective only upon the date specified therein and shall continue in effect until suspended or revoked, or during such period as the authority provided by this part shall remain in effect.

§ 297.20 *Restrictions on issuance.* (a) No letter of registration will be issued to an applicant which does not as a part of its showing of capability demonstrate that it has such branch offices, associated companies, affiliated companies, or agents located outside the continental United States as to indicate that such applicant will be able to perform pickup or delivery and consolidation or breakbulk, and to render customs and other services necessary to be performed in conjunction with import and export shipments, with reasonable effectiveness for the benefit of the shipping public.

(b) An application filed pursuant to § 297.17 will be denied and no letter of registration will be issued to an applicant which has, or proposes to have, as owner, partner, officer, director, or stockholder holding a controlling interest, any person who was, or is connected in any such capacity with an irregular air carrier, an air freight forwarder or another international air freight forwarder, if the letter of registration or exemption privilege of such carrier or forwarder was suspended or revoked by the Board on account of acts or omissions which occurred during the time of such connection, unless it has been shown to the Board by such applicant, and the Board finds that the public interest and applicant's intention and ability to conform

to the provisions of the act and requirements thereunder will not be adversely affected by such relationship or former relationship. For the purpose of carrying out the intent of this provision, the Board may, before or after the issuance of a letter of registration, require the applicant to furnish information in addition to that required to be set forth in its application filed pursuant to § 297.17.

§ 297.21 *Nontransferability.* A letter of registration shall be nontransferable and shall be effective only with respect to the person named therein.

§ 297.22 *Suspension.* Letters of registration shall be subject to immediate suspension when in the opinion of the Board, such action is required in the public interest. Letters of registration shall be further subject to suspension upon complaint, or upon motion of any person showing an interest therein, or upon the Board's own initiative, after not less than 10 days' notice to the international air freight forwarder, but without hearing or further proceedings, for failure to comply with the provisions of the act or with any order, rule or regulation issued thereunder, or with any term, condition or limitation of any authority issued thereunder. Such suspension shall continue until the Board finds that such suspended international air freight forwarder has complied with the provisions of the act, or with such rules, regulations, orders, terms, conditions, or limitations. Failure to seek reinstatement of a letter of registration suspended pursuant to the provisions of this paragraph within a period of 30 days after the effective date of such suspension shall automatically terminate the effectiveness of such letter of registration, and such letter shall cease to be in force.

§ 297.23 *Revocation.* (a) A letter of registration shall be subject to revocation, after notice and hearing, for knowing and willful violation by the holder thereof of any provision of the act or of any order, rule, or regulation issued under any such provision or of any term, condition, or limitation of any authority issued under said act or regulations.

(b) A letter of registration shall be subject to revocation, if the Board finds, after notice and hearing, that the international air freight forwarder has accepted any rebate, refund, or remittance, or any compensation or remuneration, from any direct air carrier or foreign air carrier with respect to any transaction wherein such forwarder acts as consignor or consignee, or otherwise participates as an international air freight forwarder.

(c) A letter of registration shall be revoked without prejudice upon the filing by an international air freight forwarder of a written notice with the Board that such forwarder has discontinued common carrier activities, together with a tender of the letter of registration for cancellation: *Provided*, That the Board may refuse to accept such notice or to cancel the letter if any proceeding or action is pending in which such forwarder's authority may be subject to suspension or revocation action. The failure of any international air freight forwarder to operate any international air freight forwarding services for a period of one year or failure for two successive periods to file the periodic reports required by this Chapter may, for the purpose of this part, be deemed by the Board to constitute the filing of written notice indicating the discontinuance of the common carrier activities, and in such case the tender of the letter of registration shall not be necessary.

INSURANCE

§ 297.26 *Cargo.* No international air freight forwarder shall engage in air transportation pursuant to this part unless the risks of loss of or damage to the property so transported by it are covered in the amounts prescribed in § 297.28 (a) by insurance, a self-insurance fund or reserve, or surety bond.

§ 297.27 *Public liability and property damage.* No international air freight forwarder shall engage in the performance of transfer, collection, or delivery services under the provisions of this part unless risks of bodily injury or death to persons or of damage to property (other than property covered by § 297.26) resulting from the negligent operation, maintenance, or use of motor vehicles operated by it or under its direction and control, or resulting from acts of its agents, employees, and representatives in the performance of such transfer, collection, or delivery services are covered to the extent that legal liability may ensue, in the amounts prescribed in § 297.28 (b) and (c) by insurance, a self-insurance fund or reserve, or surety bond.

§ 297.28 *Minimum coverage.* (a) Cargo. For loss of, or damage to, property while carried on or resting in any one conveyance—$5,000.

(b) Public liability — property. For loss or damage to property occurring at any one time or place—$2,000.

(c) Public liability—personal injury. Claims for bodily injury or death—$10,000, for one person subject to that limit per person, and for all persons in any one accident—$20,000.

GENERAL

§ 297.31 *Payment of transportation charges.* Freight bills from direct air carriers and foreign air carriers for all transportation charges shall be paid by every international air freight forwarder within a reasonable period after the rendering of the transportation services. A reasonable maximum period for the payment of such charges shall be 30 days after being billed therefor.

§ 297.32 *Nonapplicability.* This part shall not apply (a) to any air carrier authorized by a certificate of public convenience and necessity to engage in air transportation, nor (b) to any noncertificated air carrier engaged in air transportation pursuant to any special or individual exemption order granted by the Board, nor (c) to any noncertificated air carrier engaged in direct air transportation pursuant to any general exemption granted by any other part of this chapter.

§ 297.33 *Separability.* If any provision of this part or the application thereof to any air transportation, person, class of persons, or circumstance is held invalid, the remainder of the part and the application of such provisions to other air transportation, persons, classes of persons, or circumstances shall not be affected thereby.

By the Civil Aeronautics Board.

[SEAL] M. C. MULLIGAN, *Secretary.*

[F. R. Doc. 50-2732; Filed, Mar. 31, 1950; 8:56 a. m.]

1370

TITLE 17—COMMODITY AND SECURITIES EXCHANGES

Chapter II—Securities and Exchange Commission

PART 240—RULES AND REGULATIONS UNDER SECURITIES EXCHANGE ACT OF 1934

QUARTERLY REPORTS

The Securities and Exchange Commission, acting pursuant to the Securities Exchange Act of 1934, particularly sections 13, 15 (d) and 23 (a) thereof, hereby takes the action specified below. The purpose of such action is to exempt banks and bank holding companies from the necessity of filing quarterly reports on Form 9-K (17 CFR 249.309).

1. Paragraph (c) of § 240.13a-13 (Rule X-13A-13) is amended to read as follows:

§ 240.13a-13 *Quarterly reports to other companies.* * * *

(c) This section shall not apply to any bank, bank holding company, insurance company, investment company, common carrier, public utility company, or any company primarily engaged in the production and sale of a seasonal single-crop agricultural commodity.

(Interprets or applies sec. 13, 48 Stat. 894; 15 U. S. C. 78m)

2. Paragraph (c) of § 240.15d-13 (Rule X-15D-13) is amended to read as follows:

§ 240.15d-13 *Quarterly reports of other companies.* * * *

(c) This section does not apply to foreign governments or political subdivisions thereof; foreign private issuers other than Canadian, Cuban, Mexican or Philippine issuers; issuers of American certificates against foreign issues; or to any bank, bank holding company, insurance company, investment company, common carrier, public utility company, or any company primarily engaged in the production and sale of a seasonal single-crop agricultural commodity.

Inasmuch as the foregoing action of the Commission merely restores to banks and bank holding companies a previously existing exemption from the necessity of filing reports on Form 9-K (17 CFR 249.309), the Commission finds that notice and procedure pursuant to the Administrative Procedure Act is not

necessary in the public interest or for the protection of investors and that such action may be made effective immediately. Accordingly, the foregoing action shall become effective March 27, 1950.

(Sec. 23, 48 Stat. 901, as amended; 15 U. S. C. 78w)

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

MARCH 27, 1950.

[F. R. Doc. 50-2714; Filed, Mar. 31, 1950; 9:03 a. m.]

PART 240—RULES AND REGULATIONS UNDER SECURITIES EXCHANGE ACT OF 1934

REPORTS OF CERTAIN STABILIZING ACTIVITIES

The Securities and Exchange Commission, acting pursuant to the authority conferred upon it by the Securities Exchange Act of 1934, particularly sections 17 (a) and 23 (a) thereof, and deeming such action necessary for the exercise of the functions vested in it and necessary and appropriate in the public interest and for the protection of investors, hereby takes the following action:

Section 240.17a-2 (Rule X-17A-2) is amended by deleting the words "column G of Schedule II of" in paragraph (b) thereof.

§ 240.17a-2 *Reports of certain stabilizing activities.* * * *

(b) Notwithstanding the provisions of paragraph (a) of this section, in the case of an offering made at a fixed public offering price, no report need be filed for any day solely because of a retail sale of the offered security at such public offering price. In such cases, there shall be disclosed in the next report required to be filed pursuant to paragraph (a) of this section, the total of all such retail sales by the reporting person which were not previously reported.

The Commission finds that the foregoing action is mechanical and interpretative in nature and that notice and public procedure pursuant to sections 4 (a) and (b) of the Administrative Procedure Act are unnecessary and declares the amendments effective immediately pursuant to section 4 (c) of that act.

(Sec. 23, 48 Stat. 901, as amended; 15 U. S. C. 78w. Interprets or applies sec. 17, 48 Stat. 897, as amended; 15 U. S. C. 78q)

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

MARCH 15, 1950.

[F. R. Doc. 50-2716; Filed, Mar. 31, 1950; 9:03 a. m.]

PART 249—FORMS, SECURITIES EXCHANGE ACT OF 1934

FORMS FOR REPORTS AS TO STABILIZATION

The Securities and Exchange Commission announced the adoption of some minor clarifying amendments to its Form X-17A-1 (17 CFR 249.717) and its Rule X-17A-2 (17 CFR 240.17a-2) under the Securities Exchange Act of 1934, which relate to the reporting of stabilizing transactions. Attention of underwriters is called to the fact that a space has now been provided on the first page of the form for reporting retail sales at the public offering price, not previously reported, and that such transactions should no longer be included in the matters reported on the second page of the form. It is hoped that this change will tend to avoid confusion.

Since the changes are not substantive, stabilizers should continue to use the old form until copies of the revised form are obtainable.

The Securities and Exchange Commission, acting pursuant to the authority conferred upon it by the Securities Exchange Act of 1934, particularly sections 17 (a) and 23 (a) thereof, and deeming such action necessary for the exercise of the functions vested in it and necessary and appropriate in the public interest and for the protection of investors, hereby takes the following action:

Form X-17A-1[1] (17 CFR 249.717) is revised as indicated in copies marked "amended March 1, 1950."

The Commission finds that the foregoing action is mechanical and interpretative in nature and that notice and public procedure pursuant to sections 4 (a) and (b) of the Administrative Procedure Act are unnecessary and declares the amendments effective immediately pursuant to section 4 (c) of that act.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

MARCH 15, 1950.

[F. R. Doc. 50-2715; Filed, Mar. 31, 1950; 9:03 a. m.]

TITLE 31—MONEY AND FINANCE: TREASURY

Chapter I—Monetary Offices, Department of the Treasury

[1950 Dept. Circ. 1]

PART 129—VALUES OF FOREIGN MONEYS

QUARTER BEGINNING APRIL 1, 1950

APRIL 1, 1950.

§ 129.13 *Calendar year 1950.* * * *

(b) *Quarter beginning April 1, 1950.* Pursuant to section 522, title IV, of the Tariff Act of 1930, reenacting section 25 of the act of August 27, 1894, as amended, the following estimates by the Director of the Mint of the values of foreign monetary units are hereby proclaimed to be the values of such units in terms of the money of account of the United States that are to be followed in estimating the value of all foreign merchandise exported to the United States during the quarter beginning April 1, 1950, expressed in any such foreign monetary units: *Provided, however,* That if no such value has been proclaimed, or if the value so proclaimed varies by 5 per centum or more from a value measured by the buying rate in the New York market at noon on the day of exportation, conversion shall be made at a value measured by such buying rate as determined and certified by the Federal Reserve Bank of New York and published by the Secretary of the Treasury pursuant to the provisions of section 522, title IV, of the Tariff Act of 1930.

The value of foreign monetary units, as shown below in terms of United States money, is the ratio between the legal gold content of the foreign unit and the legal gold content of the United States dollar. It should be noted that this value, with respect to most countries, varies widely from the present exchange rates. Countries not having a legally defined gold monetary unit, or those for which current information is not available, are omitted.

Country	Monetary unit	Value in terms of U. S. money	Remarks
Canada and Newfoundland	Dollar	$1.0031	Redemption of notes into gold suspended. Export of gold prohibited except under license.
Colombia	Peso	.5128	Monetary Law No. 90 of Dec. 16, 1948, effective Dec. 18, 1948, content of peso 0.30637 gram of gold 9/10 fine. Obligation to sell gold suspended Sept. 24, 1931.
Costa Rica	Colon	.1781	Parity of 0.158267 fine gram gold established by decree law effective Mar. 22, 1947.
Denmark	Krone	.4537	Conversion of notes into gold suspended Sept. 29, 1931.
Dominican Republic	Peso	1.0000	By Monetary Law No. 1528 effective October 9, 1947, gold content of peso equal to 0.888671 gram fine.
Ethiopia	Dollar	.4025	New unit established by Proclamation of the Emperor on May 25, 1945, effective July 23, 1945.
Finland	Markka	.0436	Conversion of notes into gold suspended Oct. 12, 1931.
Guatemala	Quetzal	1.0000	Decree No. 203 of Dec. 10, 1945, defined the monetary unit as 15 5/21 grains gold 9/10 fine. Conversion of notes into gold suspended Mar. 6, 1933.
Haiti	Gourde	.2000	National bank notes redeemable on demand in U. S. dollars.
Hungary	Forint	.0852	New unit based on 13,210 forint per kilogram fine gold, effective July 1946.
Ireland	Pound	4.2397	Conversion of notes into gold suspended Sept. 21, 1931.
Peru	Sol	.4740	Conversion of notes into gold suspended May 28, 1932; exchange control established Jan. 23, 1945.
Philippines	Peso	.5000	International value according to the Central Bank Act approved June 15, 1948. Exchange control established.
Sweden	Krona	.4537	Conversion of notes into gold suspended Sept. 29, 1931.
Union of Soviet Socialist Republics	Ruble	.2500	By decree of Council of Ministers ruble equal to 0.222168 fine gram gold, effective March 1, 1950.
Uruguay	Peso	.6583	Present gold content of 0.585618 grams fine established by law of Jan. 18, 1938. Conversion of notes into gold suspended Aug. 2, 1914; exchange control established Sept. 7, 1931.
Venezuela	Bolivar	.3267	Exchange control established Dec. 12, 1936.

[1] Filed as part of the original document.

(Sec. 25, 28 Stat. 552; sec. 403, 42 Stat. 17; sec. 522, 42 Stat. 974; sec. 522, 46 Stat. 739; 31 U. S. C. 372)

[SEAL] E. H. FOLEY, Jr.,
Acting Secretary of the Treasury.

[F. R. Doc. 50-2736; Filed, Mar. 31, 1950; 8:57 a. m.]

1374-1380

TITLE 32—NATIONAL DEFENSE

Chapter I—Munitions Board

Subchapter A—Regulations Under the National Industrial Reserve Act of 1948

PART 113—THE NATIONAL SECURITY CLAUSE AND PROCEDURES FOR TRANSFERS OF PROPERTY

SUBPART A—THE NATIONAL SECURITY CLAUSE

The following revision of Part 113, Subpart A, (14 F. R. 1491) was approved by the Munitions Board on February 3, 1950.

HUBERT E. HOWARD,
Chairman, Munitions Board.

SUBPART A—THE NATIONAL SECURITY CLAUSE

Sec.

113.100 Scope of subpart.
113.101 Short title.
113.102 Use of the National Security Clause in instruments of transfer.
113.103 Text of the National Security Clause.
113.103-1 National Security Clause for deeds of real property.
113.103-2 National Security Clause for leases of real property.
113.103-3 National Security Clause for sales of personal property.
113.104 Modifications in National Security Clause.

AUTHORITY: §§ 113.100 to 113.104 issued under sec. 213, 61 Stat. 505, 62 Stat. 1225, Delegation of Authority, Secretary, Defense, July 3, 1948, 13 F. R. 4576; 5 U. S. C. Sup., 171h, 50 U. S. C. App., Sup., 1782.

SUBPART A—THE NATIONAL SECURITY CLAUSE

§ 113.100 *Scope of subpart.* This subpart deals with the text of the National Security Clause, its incorporation in instruments of transfer, and procedures for its modifications, amendment, revocation, or termination.

§ 113.101 *Short title.* The material set forth in § 113.103 shall be known and referred to as the "Standard National Security Clause, revised".

§ 113.102 *Use of the National Security Clause in instruments of transfer.* A National Security Clause shall be incorporated in all Deeds, Bills of Sales, Leases, or other instruments transferring property in the National Industrial Reserve. Contracts of Sale, or Letters of Intent, executed in contemplation of such transfers, shall be made on the express condition that the instrument of transfer contain a National Security Clause. In incorporating the National Security Clause in instruments of transfer, the substance of the appropriate Clause set forth in § 113.103 shall be used, but may be modified as necessary to conform to the context of the rest of the instrument. For leases of personal property, the real estate lease Clause (§ 113.103-2) may be converted.

Nothing in the National Security Clause shall be construed to preclude Government disposal agencies from including whatever terms they deem necessary or desirable in instruments of transfer so long as these other terms do not vitiate the Government's rights and benefits under the National Security Clause. In the case of leases, especially, provisions will have to be included for the purpose of protecting the Government's ownership generally, as distinguished from provisions aimed merely at preserving its national security interests. It is assumed these would include, without limitation, provisions with respect to payment of rent, taxes and charges, etc., insurance, subleasing and assigning, maintenance, nuisances, indemnity against liability, surrender upon expiration of the lease in the same or equivalent condition etc., and a right of entry in the Government to terminate the lease upon the lessee's breach of condition, bankruptcy or insolvency etc.

§ 113.103 *Text of the National Security Clause.*

§ 113.103-1 *National Security Clause for deeds of real property.*

NATIONAL SECURITY CLAUSE

Whereas, the Munitions Board, under the authority delegated to it by the Secretary of Defense (13 F. R. 4576), and pursuant to section 4 (1) of the National Industrial Reserve Act of 1948 (Pub. Law 883, 80th Cong.) has designated the premises hereby conveyed a part of the National Industrial Reserve for the production of [insert designation of end item or basic material as the case may be] at an annual capacity of [insert quantity] and, whereas, pursuant to section 4 (4) of that act, it has authorized their disposal subject to a National Security Clause formulated in accordance with that Act; now therefore, in consideration of their respective obligations under this instrument, the parties hereto, for themselves, their heirs, successors, and assigns, do hereby enter into the terms, covenants, and conditions hereinafter set forth which shall, together with this paragraph, be collectively known and referred to as the National Security Clause.

ARTICLE I. *Definitions.* For purposes of this Clause the following definitions will apply:

(a) The term "premises" means the property transferred by this instrument.

(b) The term "assigned function" means the function for which the premises have been designated a part of the National Industrial Reserve or for which they may be hereafter redesignated under Article IX hereof.

(c) The term "production equipment" means all property, other than property transferred by this instrument, at any time in or appurtenant to the premises which is necessary to their assigned function or to their current operations.

(d) The term "facilities" means the sum total of the premises and the production equipment.

ART. II. *Maintenance.* The Grantee hereby covenants and agrees that it will maintain the facilities in such a manner that they can be placed, within a period of 120 days, in a condition adequate to perform the assigned function of the premises.

In addition, the Grantee covenants and agrees,

(a) that it will maintain in accordance with sound practice in the industry, normal wear and tear excepted, that part of the facilities necessary for the assigned function of the premises which is actively being used in its current operations;

(b) that it will not make any alterations to the facilities which would impair performance of the assigned function of the premises, unless each such alteration can be restored in a period of 60 days or less and the sum total thereof restored in 120 days or less; and

(c) that it will not dispose of any production equipment, or any machinery and equipment transferred as a part of the premises by this instrument, the disposal of which would impair performance of the assigned function of the premises, unless the items so disposed of are immediately replaced with equivalent items.

Provided, however, that the provisions of this Article shall not apply to timber structures and their appurtenances for more than 15 years from the date hereof, or to machinery and equipment for more than 10 years from the date hereof; and provided further, that nothing herein contained shall prevent the Grantee from relocating any machinery or equipment within the premises for the purpose of improving operating efficiency or increasing productive capacity so long as the standards of care set forth above are continually observed.

ART. III. *Defaults*—(a) *Inspection.* The Grantee and the Government mutually covenant and agree that the latter may, after reasonable prior written notice to the Grantee, inspect the facilities for the purpose of determining whether the Grantee is in default on its obligations under this Clause.

(b) *Determinations of default.* If, as a result of such inspections, the Government adjudges the Grantee in default, it shall furnish the latter a written statement setting forth in detail the grounds on which the allegations are based, following which the Grantee shall have thirty days to submit evidence to the contrary. If in the light of the evidence so presented, the Government still holds that the Grantee is in default, it shall then advise the latter of the specific defaults to be corrected and the periods of time in which each correction must be completed, such periods to be as reasonable as possible.

(c) *Repairs by the Government.* In the event the Grantee fails to correct its defaults in the times stated, the Government shall then have the right to enter the premises for the purpose of correcting the defaults; and the Grantee, or its sureties, will reimburse the Government for all costs incurred by the Government in making such corrections. The Government, or any contractor employed by the Government for the purpose, shall have such right of access to the premises or any part thereof as may be necessary to permit such repairs or replacements.

ART. IV. *Government utilization*—(a) *Negotiation of contract.* The Grantee and the Government mutually covenant and agree that, whenever the Government considers the productive capacity of the facilities necessary for national security purposes, they will jointly undertake to negotiate a contract for the Grantee to furnish[1] the materials or services for which the premises are designated a part of the National Industrial Reserve.

(b) *Repossession.* The Grantee hereby covenants and agrees that, in the event the Government determines such a contract is not feasible, or that the Grantee is not qualified to furnish the materials or services required, or that a mutually satisfactory contract cannot be negotiated, the Grantee will turn over to the Government full possession of the premises together with all structures, improvements, easements, rights-of-way, and other interests appurtenant thereto (including all rights-of-way over and across other property of the Grantee necessary or convenient to the operation or use of the facilities) for such time as the Government deems necessary for national security purposes. The Grantee further agrees that it will lease to the Government, upon the lat-

[1] Insert "from the facilities."

ter's request and for a period co-extensive with the Government's repossession of the premises, any or all of the production equipment owned or controlled by the Grantee. The Government's rights to such possession and usage, together with its right to lease properties of the Grantee hereunder, shall vest on the date set by it in written notice to the Grantee, which date shall be not less than 15 days from the date of notice thereof, and shall expire on the termination date of this National Security Clause as provided for in Article XI below.

(c) *Withdrawal by the Grantee.* The Grantee hereby covenants and agrees that, upon the date set for transfer of the premises to the Government, it will immediately undertake to restore such alterations made by it and to remove such improvements, fixtures, machinery and other equipment installed by it as the Government may direct, such undertakings to be completed in the shortest possible time, but in no event to exceed 120 days from the date of repossession unless otherwise agreed upon between the Grantee and the Government. Thereafter, the Grantee shall have no further right to enter the premises during the period of Government possession except with the prior consent of the latter. During any period of Government possession, the premises may be used, occupied, or operated for or on behalf of the Government by any government department, agency, agent, or by any tenant, contractor, or subcontractor of the Government.

ART. V. *Compensation.* The Government hereby covenants and agrees that, upon any repossession under IV (b) above, it will pay the Grantee:

(a) *At the time of repossession.* (i) Fair and reasonable compensation for all losses, not including loss of profits, incurred by the Grantee or its assignees in respect of work in process in the premises which cannot be completed because of repossession by the Government.

(ii) Fair and reasonable costs incurred by the Grantee or its assignees in complying with Article IV (c).

(b) *During each period of possession.* (i) Fair and reasonable compensation for the use of the premises as agreed on by the parties hereto at a rate not in excess of prevailing rental for similar properties.

(ii) Fair and reasonable compensation for the use of any production equipment as agreed on by the parties hereto at a rate not in excess of prevailing rental for similar properties.

(c) *Upon termination of each period of possession.* Fair and reasonable costs incident to reinstallation of machinery and equipment removed from the premises and restoration of the premises to their condition on the date of repossession by the Government, reasonable depreciation excepted.

Any failure of the parties to reach agreement as to what amounts are fair and reasonable under this Article shall be deemed a dispute of fact within the meaning of Article XIII hereof.

ART. VI. *Insurance.* The Grantee hereby covenants and agrees that the proceeds of any insurance which is required of the Grantee by the terms of this instrument, or by any other agreement between it and the Government, to be placed on the premises or any part thereof will be applied, upon damage to or destruction of the premises by fire or other insurable casualty, to a restoration of the property, unless the Grantee is expressly released from such obligation by the Government.

ART. VII. *Subsequent Transfers.* The Grantee hereby covenants and agrees not to sell, lease, mortgage, or otherwise encumber the facilities without expressly making such sale, lease, mortgage, or encumbrance subject to the provisions of this National Security Clause for the remainder of its term.

ART. VIII. *Parties.* The Grantee and the Government mutually agree that the latter, in exercising its rights and carrying out its obligations under this National Security Clause, shall act through the Secretary of Defense or such departments, agencies, or individuals as he may designate, which may include, without limitation, the Munitions Board, the Departments of the Army, Navy, or Air Force, or the General Services Administration. References in this National Security Clause to the Government shall be deemed to refer as appropriate to the Secretary of Defense or such departments, agencies, or individuals as he may designate.

ART. IX. *Redesignation of purpose and use of premises.* The Government hereby covenants and agrees that, upon a petition by the Grantee for a change in the assigned function of the premises, it will re-evaluate the defense potential of the premises, both for the purposes for which they are designated for inclusion in the National Industrial Reserve and those for which it is requested they be redesignated, and will, if it deems the interests of national security are best served thereby, and upon tender by the Grantee of whatever consideration may be requested, change their designation to that requested by the Grantee. Conversely, the Government may, on its own initiative, recommend a redesignation to the Grantee which, if acceptable to the latter, shall be put into effect. Redesignations under this paragraph may be made only by written instrument and may not be requested by the Grantee more often than once in 6 months.

ART. X. *Modification or amendment of the National Security Clause.* The Government hereby covenants and agrees that, upon a petition by the Grantee for a reconsideration of the particular applicability of any of the terms, conditions, reservations or restrictions of the National Security Clause, the Government will, if it deems the interests of national security are best served thereby, modify or amend the Clause to the degree it sees fit upon tender by the Grantee of whatever consideration may be requested. Conversely, the Government may, on its own initiative, recommend modifications or amendments to the Grantee, which, if acceptable to the latter, shall be put into effect.

ART. XI. *Termination or revocation of the National Security Clause.* The Government and the Grantee mutually covenant and agree that their respective obligations under this National Security Clause, except those of the Grantee to reimburse the Government under Article III, or of the Government to furnish compensation under Article V, and except as may be otherwise specified herein, shall terminate 20 years following the date of this instrument or, in the event the Government is in possession at that time in accordance with Article IV (b), upon release of possession by the Government to the Grantee: *Provided, however,* That the Government, at its own election, or upon a petition by the Grantee, may reconsider the necessity for continuing all or any part of the Clause in effect and shall, in the event it determines such necessity no longer exists, and upon tender by the Grantee of whatever consideration may be requested, revoke the Clause, in whole or in part, by executing and delivering to the Grantee a release, quitclaim deed, or whatever instrument is necessary to remove the encumbrance of the Clause, or of a part thereof, from the facilities.

ART. XII. *Covenants.* It is the intention of both the Grantee and the Government that these covenants shall run with the land and bind subsequent purchasers of the premises hereby conveyed: *Provided however,* That the Grantee shall not be liable for any violation of said covenants by subsequent owners of the premises.

ART. XIII. *Disputes.* Disputes on questions of fact which cannot be resolved by agreement of the parties shall be decided by the Secretary of Defense or the instrumentality duly and expressly designated by him, whose decision shall be final and conclusive. In connection with any proceeding under this Article, the Grantee shall be afforded an opportunity to be heard and to offer evidence in support of its own case. Pending final decision of a dispute hereunder, the Grantee shall proceed diligently with the performance of its obligations under the Clause.

ART. XIV. *Recordation.* The Grantee shall forthwith cause this instrument to be duly recorded and shall furnish satisfactory evidence of such to the Government.

ART. XV. *Saving provision.* The Grantee and the Government mutually covenant and agree that nothing in this Clause shall be construed as affecting obligations of the Grantee under any other provisions of this instrument, except that, in any cases of inconsistency or ambiguity, the provisions of this National Security Clause shall, to the extent that they impose greater obligations on the Grantee, be deemed controlling.

§ 113.103–2 *National Security Clause for leases of real property.*

NATIONAL SECURITY CLAUSE

Whereas, the Munitions Board, under the authority delegated to it by the Secretary of Defense (13 F. R. 4576) and pursuant to section 4 (1) of the National Industrial Reserve Act of 1948 (Pub. Law 883, 80th Cong.) has designated the premises leased hereunder a part of the National Industrial Reserve for the production of [insert designation of end item or basic material as the case may be] at an annual capacity of [insert quantity] and, whereas, pursuant to section 4 (4) of that act, it has authorized their disposal subject to a National Security Clause formulated in accordance with that act; now therefore, in consideration of their respective obligations under this instrument, the parties hereto, for themselves, their heirs, successors, and assigns, do hereby enter into the terms, covenants, and conditions hereinafter set forth which shall, together with this paragraph, be collectively known and referred to as the National Security Clause.

ARTICLE I. *Definitions.* For purposes of this Clause the following definitions will apply:

(a) The term "premises" means the property leased by this instrument.

(b) The term "assigned function" means the function for which the premises have been designated a part of the National Industrial Reserve or for which they may be hereafter redesignated under Article VIII hereof.

(c) The term "production equipment" means all property, other than property leased by this instrument, at any time in or appurtenant to the premises which is necessary to their assigned function or to their current operations.

(d) The term "facilities" means the sum total of the premises and the production equipment.

ART. II. *Maintenance.* The Lessee hereby covenants and agrees that it will maintain the facilities in such a manner that they can be placed, within a period of 120 days, in a condition adequate to perform the assigned function of the premises.

In addition, the Lessee covenants and agrees,

(a) that it will maintain in accordance with sound practice in the industry, normal wear and tear excepted, that part of the facilities necessary for the assigned function of the premises which is actively being used in its current operations;

(b) that it will not make any alterations to the facilities which would impair performance of the assigned function of the premises, unless each such alteration can be restored in a period of 60 days or less and the sum total thereof restored in 120 days or less; and

(c) that it will not dispose of any of its own production equipment, the disposal of which would impair performance of the assigned function of the premises, unless the items so disposed of are immediately replaced with equivalent items.

Provided, however, That the provisions of this Article shall not apply to timber structures and their appurtenances for more than 15 years from the date hereof, or to machinery and equipment for more than 10 years from the date hereof: *And provided further,* That nothing herein contained shall prevent the Lessee from relocating any machinery or equipment within the premises for the purpose of improving operating efficiency or increasing productive capacity so long as the standards of care set forth above are continually observed.

ART. III. *Defaults*—(a) *Inspections.* The Lessee and the Government mutually covenant and agree that the latter may, after reasonable prior written notice to the Lessee, inspect the facilities for the purpose of determining whether the Lessee is in default on its obligations under this Clause.

(b) *Determinations of default.* If, as a result of such inspections, the Government adjudges the Lessee in default, it shall furnish the latter a written statement setting forth in detail the grounds on which the allegations are based, following which the Lessee shall have thirty days to submit evidence to the contrary. If in the light of the evidence so presented, the Government still holds that the Lessee is in default, it shall then advise the latter of the specific defaults to be corrected and the periods of time in which each correction must be completed, such periods to be as reasonable as possible.

(c) *Repairs by the Government.* In the event the Lessee fails to correct its defaults in the time stated, the Government shall then have the right to enter the premises for the purpose of correcting the defaults; and the Lessee, or its sureties, will reimburse the Government for all costs incurred by the Government in making such corrections. The Government, or any contractor employed by the Government for the purpose, shall have such right of access to the premises or any part thereof as may be necessary to permit such repairs or replacements. Where the defaults are such that they jeopardize the Government's interest in the facilities, the Government may take and maintain full possession thereof, without terminating the Lessee's interest or estate therein, for the period necessary to remedy such defaults and until reimbursement therefor has been made by the Lessee.

ART. IV. *Government utilization*—(a) *Negotiation of Contract.* The Lessee and the Government mutually covenant and agree that, whenever the Government considers the productive capacity of the facilities necessary for national security purposes, they will jointly undertake to negotiate a contract for the Lessee to furnish [1] the materials or services for which the premises are designated a part of the National Industrial Reserve.

(b) *Repossession.* The Lessee hereby covenants and agrees that, in the event the Government determines such a contract is not feasible, or that the Lessee is not qualified to furnish the materials or services required, or that a mutually satisfactory contract cannot be negotiated, the Lessee will turn over to the Government full possession of the premises together with all structures, improvements, easements, rights-of-way, and other interests appurtenant thereto (including all rights-of-way over and across other property of the Lessee necessary or convenient to the operation or use of the facilities) for such time as the Government deems necessary for national security purposes, on the condition, however, that the Lessee's obligations to pay rent for the premises shall be suspended for the period of Government possession. The Lessee further agrees that it will lease to the Government, upon the latter's request and for a period co-extensive with the Government's repossession of the premises, any or all of the production equipment owned or controlled by the Lessee. The Government's rights to such possession and usage, together with its right to lease properties of the Lessee hereunder, shall vest on the date set by it in written notice to the Lessee, which date shall be not less than 15 days from the date of notice thereof, and shall expire on the termination date of this National Security Clause as provided for in Article X below.

(c) *Withdrawal by the Lessee.* The Lessee hereby covenants and agrees that, upon the date set for transfer of the premises to the Government, it will immediately undertake to restore such alterations made by it and to remove such improvements, fixtures, machinery and other equipment installed by it as the Government may direct, such undertakings to be completed in the shortest possible time, but in no event to exceed 120 days from the date of repossession unless otherwise agreed upon between the Lessee and the Government. Thereafter, the Lessee shall have no further right to enter the premises during the period of Government possession except with the prior consent of the latter. During any period of Government possession, the premises may be used, occupied, or operated for or on behalf of the Government by any Government department, agency, agent, or by any tenant, contractor, or subcontractor of the Government.

ART. V. *Compensation.* The Government hereby covenants and agrees that, upon any repossession under IV (b) above, it will pay the Lessee:

(a) At the time of repossession, (i) Fair and reasonable compensation for all losses, not including loss of profits, incurred by the Lessee or its assignees, in respect of work in process in the premises which could have been completed prior to normal expiration of the lease but which cannot be completed because of repossession by the Government.

(ii) Fair and reasonable costs incurred by the Lessee, or its assignees, in complying with Article IV (c), less a reasonable set-off for those that would ordinarily be incurred on normal expiration of the lease. If, however, the period of Government possession expires prior to the expiration of the lease, and the Lessee, or its assignees, resumes possession for the balance of the term, the Government will compensate the Lessee for the full amount of any set-off previously deducted.

(b) During each period of possession, fair and reasonable compensation for the use of any production equipment as agreed on by the parties hereto at a rate not in excess of prevailing rental for similar properties.

(c) Upon termination of each period of possession, fair and reasonable costs incident to reinstallation of machinery and equipment removed from the premises and restoration of the premises to their condition on the date of repossession by the Government, reasonable depreciation excepted.

Any failure of the parties to reach agreement as to what amounts are fair and reasonable under this Article shall be deemed a dispute of fact within the meaning of Article XIII hereof.

ART. VI. *Subsequent transfers.* The Lessee hereby covenants and agrees not to sub-lease, assign, mortgage, pledge, or otherwise encumber the facilities without the prior written consent of the Government and without expressly making such sub-lease, assignment, mortgage, pledge, or encumbrance subject to the provisions of this National Security Clause for the remainder of its term.

ART. VII. *Parties.* The Lessee and the Government mutually agree that the latter, in exercising its rights and carrying out its obligations under this National Security Clause, shall act through the Secretary of Defense or such departments, agencies, or individuals as he may designate, which may include, without limitation, the Munitions Board, the Departments of the Army, Navy, or Air Force, or the General Services Administration. References in this National Security Clause to the Government shall be deemed to refer as appropriate to the Secretary of Defense or such departments, agencies, or individuals as he may designate.

ART. VIII. *Redesignation of purpose and use of premises.* The Government hereby covenants and agrees that, upon a petition by the Lessee for a change in the assigned function of the premises, it will re-evaluate the defense potential of the premises, both for the purposes for which they are designated for inclusion in the National Industrial Reserve and those for which it is requested they be redesignated, and will, if it deems the interests of national security are best served thereby, and upon tender by the Lessee of whatever consideration may be requested, change their designation to that requested by the Lessee. Conversely, the Government may, on its own initiative, recommend a redesignation to the Lessee which, if acceptable to the latter, shall be put into effect. Redesignations under this paragraph may be made only by written instrument and may not be requested by the lessee more often than once in 6 months.

ART. IX. *Modification or amendment of the National Security Clause.* The Government hereby covenants and agrees that, upon a petition by the Lessee for a reconsideration of the particular applicability of any of the terms, conditions, reservations, or restrictions of the National Security Clause, the Government will, if it deems the interests of national security are best served thereby, modify or amend the Clause to the degree it sees fit upon tender by the Lessee of whatever consideration may be requested. Conversely, the Government may, on its own initiative, recommend modifications or amendments to the Lessee which, if acceptable to the latter, shall be put into effect.

ART. X. *Termination or revocation of the National Security Clause.* The Government and the Lessee mutually covenant and agree that their respective obligations under this National Security Clause, except those of the Lessee to reimburse the Government under Article III, or of the Government to furnish compensation under Article V, and except as may be otherwise specified herein, shall terminate upon the normal expiration of the lease or 20 years following the date of this instrument, whichever is sooner; provided however, that in the event the Government is in possession at that time in accordance with Article IV (b), such termination shall occur upon release of possession by the Government to the Lessee; and provided further that the Government, at its own election, or upon a petition by the Lessee, may reconsider the necessity for continuing all or any part of the Clause in effect and shall, in the event it determines such necessity no longer exists, and upon tender by the Lessee of whatever consideration may be requested, revoke the Clause, in whole or in part, by executing and delivering to the Lessee a release or whatever instrument is necessary to remove the encumbrance of the Clause, or of a part thereof, from the facilities.

ART. XI. *Disputes.* Disputes on questions of fact which cannot be resolved by agreement of the parties shall be decided by the Secretary of Defense or the instrumentality duly and expressly designated by him, whose decision shall be final and conclusive. In connection with any proceeding under this Article, the Lessee shall be afforded an opportunity to be heard and to offer evidence in support of its own case. Pending final decision of a dispute hereunder, the Lessee shall proceed diligently with the performance of its obligations under the Clause.

[1] Insert "from the facilities".

ART. XII. *Recordation.* The Lessee shall forthwith cause this instrument to be duly recorded and shall furnish satisfactory evidence of such to the Government.

ART. XIII. *Saving provision.* The Lessee and the Government mutually covenant and agree that nothing in this Clause shall be construed as affecting obligations of the Lessee under any other provisions of this instrument, except that, in any cases of inconsistency or ambiguity, the provisions of this National Security Clause shall, to the extent that they impose greater obligations on the Lessee, be deemed controlling.

§ 113.103–3 *National Security Clause for sales of personal property.*

NATIONAL SECURITY CLAUSE

Whereas, the Munitions Board, under the authority delegated to it by the Secretary of Defense (13 F. R. 4576), and pursuant to section 4 (1) of the National Industrial Reserve Act of 1948 (Pub. Law 883, 80th Cong.) has designated the properties hereby transferred a part of the National Industrial Reserve for the production of [insert designation of end item or basic material as the case may be] at an annual capacity of [insert quantity] and, whereas, pursuant to section 4 (4) of that Act, it has authorized their disposal subject to a National Security Clause formulated in accordance with that act; now therefore, in consideration of their respective obligations under this instrument, the parties hereto, for themselves, their heirs, successors, and assigns do hereby enter into the terms, covenants, and conditions hereinafter set forth which shall, together with this paragraph, be collectively known and referred to as the National Security Clause.

ARTICLE I. *Definitions.* For purposes of this Clause the following definitions will apply:

(a) The term "properties" as used herein means those properties (personal property) transferred by this instrument or any other properties subsequently substituted therefor by agreement of the parties and expressly made subject, by a separate written instrument, to the terms and conditions of this National Security Clause.

(b) The term "assigned function" means the function for which the properties have been designated a part of the National Industrial Reserve or for which they may be hereafter redesignated under Article IX hereof.

ART. II. *Maintenance.* The Purchaser hereby covenants and agrees that it will maintain the properties in such a manner that they can be placed, within a period of 120 days, in a condition adequate to perform their assigned function.

In addition, the Purchaser covenants and agrees,

(a) that it will maintain in accordance with sound practice in the industry, normal wear and tear excepted, such part of the properties as is necessary for their assigned function which is actively being used in its current operations; and

(b) that it will not make any alterations to the properties which woud impair performance of their assigned function unless each such alteration can be restored in a period of 60 days or less and the sum total thereof restored in 120 days or less.

ART. III. *Defaults*—(a) *Inspections.* The Purchaser and the Government mutually covenant and agree that the latter may, after reasonable prior written notice to the Purchaser, inspect the properties to determine whether the Purchaser is in default on its obligations under this Clause.

(b) *Determinations of default.* If, as a result of such inspections, the Government adjudges the Purchaser in default, it shall furnish a written statement to the Purchaser setting forth in detail the grounds on which it bases its allegations, following which the Purchaser shall have 30 days to submit evidence to the contrary. If in the light of the evidence so presented, the Government still holds that the Purchaser is in default, it shall then advise the latter of the specific defaults to be corrected and the periods of time in which each correction must be completed, such periods to be as reasonable as possible.

(c) *Repairs by the Government.* In the event the Purchaser fails to correct its defaults in the times stated, the Government shall then have the right to correct such defaults; and the Purchaser, or its sureties, shall reimburse the Government for all costs incurred by the Government in making such corrections. The Government, or any contractor employed by the Government for the purpose, shall have such right of access to the properties as may be necessary to permit making such repairs.

ART. IV. *Government utilization*—(a) *Negotiation of Contract.* The Purchaser and the Government mutually covenant and agree that, whenever the Government considers the productive capacity of the properties necessary for national security purposes, they will jointly undertake to negotiate a contract for the Purchaser to [1] the materials or services for which the properties are designated a part of the National Industrial Reserve.

(b) *Repossession.* The Purchaser hereby covenants and agrees that, in the event the Government determines such a contract is not feasible, or that the Purchaser is not qualified to furnish the materials or services required, or that a mutually satisfactory contract cannot be negotiated, the Purchaser will turn over to the Government full possession of the properties and all rights of use incident thereto (including a right of entry for removal of such properties) for such time as the latter deems necessary for national security purposes. The Government's rights to such possession and usage shall vest on the date set by it in written notice to the Purchaser, which date shall be not less than 15 days from the date of notice thereof, and shall expire on the termination date of this National Security Clause as provided for in Article XI below.

(c) *Relinquishment by the purchaser.* Upon repossession by the Government, the Purchaser shall have no further right to use the properties during the period of Government possession except with the prior consent of the latter. During any such period of Government possession the properties may be used or operated for or on behalf of the Government by any government department, agency, agent, or by any tenant, contractor, or subcontractor of the Government.

ART. V. *Compensation.* The Government hereby covenants and agrees that, upon any repossession under IV (b) above, it will pay the Purchaser:

(a) At the time of repossession, fair compensation for all losses, not including loss of profits, incurred by the Purchaser or its assignees in respect of work in process which cannot be completed because of repossession by the Government.

(b) During each period of possession, fair and reasonable compensation for the use of the properties as agreed upon by the parties hereto at a rate not in excess of prevailing rental for similar property.

(c) Upon termination of each period of possession, fair and reasonable costs incident to restoration of the properties to their condition on the date of repossession by the Government, reasonable depreciation excepted, and fair and reasonable costs for their reinstallation, if required.

Any failure of the parties to reach agreement as to what amounts are fair and reasonable under this Article shall be deemed a dispute of fact within the meaning of Article XII hereof.

[1] Insert "use the properties in furnishing".

ART. VI. *Insurance.* The Purchaser hereby covenants and agrees that the proceeds of any insurance which is required of the Purchaser by the terms of this instrument, or by any other agreement between it and the Government, to be placed on the properties hereby conveyed or any part thereof will be applied, upon damage to or destruction of the properties by fire or other insurable casualty, to a restoration thereof, unless the Purchaser is expressly released from such obligation by the Government.

ART. VII. *Subsequent transfers.* The Purchaser hereby covenants and agrees not to sell, lease, mortgage, pledge, or otherwise encumber the properties without expressly making such sale, lease, mortgage, pledge, or encumbrance subject to the provisions of this National Security Clause for the remainder of its term, with the right to enforce such provisions expressly stated as vested in the Government.

ART. VIII. *Parties.* The Purchaser and the Government mutually agree that the latter, in exercising its rights and carrying out its obligations under this National Security Clause shall act through the Secretary of Defense or such departments, agencies, or individuals as he may designate, which may include, without limitation, the Munitions Board, the Departments of the Army, Navy, or Air Force, or the General Services Administration. References in this National Security Clause to the Government shall be deemed to refer as appropriate to the Secretary of Defense or such departments, agencies, or individuals, as he may designate.

ART. IX. *Redesignation of purpose and use of properties.* The Government hereby covenants and agrees that, upon a petition by the Purchaser for a change in the assigned function of the properties, it will re-evaluate the defense potential of the properties, both for the purposes for which they are designated for inclusion in the National Industrial Reserve and those for which it is requested they be redesignated, and will, if it deems the interests of national security are best served thereby, and upon tender by the Purchaser of whatever consideration may be requested, change their designation to that requested by the Purchaser. Conversely, the Government may, on its own initiative, recommend a redesignation to the Purchaser which, if acceptable to the latter, shall be put into effect. Redesignations under this paragraph may be made by written instrument only and may not be requested by the Purchaser more often than once in 6 months.

ART. X. *Modification or amendment of the National Security Clause.* The Government hereby covenants and agrees that, upon a petition by the Purchaser for a reconsideration of the particular applicability of any of the terms, conditions, reservations or restrictions of the National Security Clause, the Government will, if it deems the interests of national security are best served thereby, modify or amend the Clause to the degree it sees fit upon tender by the Purchaser of whatever consideration may be requested. Conversely, the Government may, on its own initiative, recommend modifications or amendments to the Purchaser which, if acceptable to the latter, shall be put into effect.

ART. XI. *Termination or revocation of the National Security Clause.* The Government and the Purchaser mutually covenant and agree that their respective obligations under this National Security Clause, except those of the Purchaser to reimburse the Government under Article III, or of the Government to furnish compensation under Article V, and except as may be otherwise specified herein, shall terminate 10 years following the date of this instrument or, in the event the Government is in possession at that time in accordance with Article IV (b), upon release of possession by the Government to the Grantee: *Provided, however,* That the Government, at its own election, or upon a petition by the Purchaser, may reconsider the necessity for

continuing all or any part of the Clause in effect and shall, in the event it determines such necessity no longer exists, and upon tender by the Purchaser of whatever consideration may be requested, revoke the Clause, in whole or in part, by executing and delivering to the Purchaser a release or whatever instrument is necessary to remove the encumbrance of the Clause, or of a part thereof, from the properties.

ART. XII. *Disputes.* Disputes on questions of fact which cannot be resolved by agreement of the parties shall be decided by the Secretary of Defense or the instrumentality duly and expressly designated by him, whose decision shall be final and conclusive. In connection with any proceeding under this Article, the Purchaser shall be afforded an opportunity to be heard and to offer evidence in support of its own case. Pending final decision of a dispute hereunder, the Purchaser shall proceed diligently with the performance of its obligations under the Clause.

ART. XIII. *Recordation.* The Purchaser shall forthwith cause this instrument to be duly recorded and shall furnish satisfactory evidence of such to the Government.

ART. XIV. *Saving provision.* The Purchaser and the Government mutually convenant and agree that nothing in this Clause shall be contrued as affecting obligations of the Purchaser under any other provisions of this instrument, except that, in any cases of inconsistency or ambiguity, the provisions of this National Security Clause shall, to the extent that they impose any greater obligations on the Purchaser, be deemed controlling.

§ 113.104 *Modifications in National Security Clause.* The National Security Clause prescribed in this part may be modified or deviated from and specific provisions may be omitted for purposes of specific properties and transactions provided such modifications, deviations, or omissions or substance are approved by the Munitions Board before becoming binding upon the Government.

[F. R. Doc. 50-2705; Filed, Mar. 31, 1950; 8:48 a. m.]

381

TITLE 38—PENSIONS, BONUSES, AND VETERANS' RELIEF

Chapter I—Veterans' Administration

PART 21—VOCATIONAL REHABILITATION AND EDUCATION

SUBPART A—REGISTRATION AND RESEARCH

1. In § 21.30, the reference at the end of paragraph (d) is amended to read as follows: "(See § 21.35)".

2. A new § 21.35 is added as follows:

§ 21.35 *Regulation concerning the pursuit on or after July 25, 1951, of courses of education or training under the Servicemen's Readjustment Act, as amended (Part VIII, Veterans Regulation 1 (a), as amended; 38 U. S. C. ch. 12 note).* July 25, 1951, is a critical date in the education and training program under the Servicemen's Readjustment Act. Veterans who are eligible for education or training and who have not undertaken such training under the Servicemen's Readjustment Act, as well as those who have commenced but have not completed their course, may be vitally affected by the July 25, 1951, date. In order that all such veterans may be made fully aware of the importance of the date and of its effect on the education and training program, this section is promulgated at this time for the purpose of providing all such veterans with ample advance notice so that their plans may be made accordingly.

(a) This section applies to all courses of education or training pursued by veterans on or after July 25, 1951, under the Servicemen's Readjustment Act, as amended.

(b) The law provides that a course of education or training shall be initiated before the termination of 4 years after the date of discharge or by July 25, 1951, whichever is the later, and that such education or training cannot be afforded beyond July 25, 1956, except for those veterans who enlisted under the Voluntary Recruitment Act of October 6, 1945. Therefore, a veteran otherwise eligible must have commenced and actually be pursuing his course of education or training on July 25, 1951, or the date 4 years after discharge, whichever is later, except where his attendance is interrupted because of the normal interruptions for summer vacations, or other reasons beyond the control of the veteran.

(c) A course of education or training shall consist of such curriculum, program of study or training, or combination of subjects as are prescribed by the institution as constituting the course. When the veteran elects his course of education or training, is accepted by the approved educational or training institution as qualified to undertake and pursue the elected course, and commences such course, he shall pursue his course of education or training continuously until completion, except for conditions which normally would cause interruption by any student.

(d) A veteran may change his course of education or training only while in training and then for reasons satisfactory to the Administrator. A change of one or more subjects in the elected curriculum or program of training, including the dropping of a subject without replacing it with another, or the adding of a subject, or a change in the sequence in which the subjects are undertaken does not constitute a change of course of education or training. Advancement from a basic or preparatory phase to an advanced phase within the course of education or training which the veteran is pursuing, does not constitute a change of course.

(e) A change of course of education or training may be considered to be for satisfactory reasons when:

(1) The veteran is not making satisfactory progress in his present course and the failure is not due to his own misconduct, his own neglect, or his own lack of application; or

(2) The course to which the veteran desires to change is more in keeping with his aptitude, previous education, training, or other such pertinent facts; or

(3) A course to which the veteran desires to change, while not a part of the course currently pursued by him, is a normal progression from said course and will enable him to attain his educational or vocational objective.

No additional changes of courses of education or training will be approved except for the most cogent reasons.

(f) When the veteran completes his course of education or training as defined in this section, or discontinues his elected course of education or training, the law does not permit the initiation of another course of education or training.

3. In § 21.51, paragraph (a) is deleted and former paragraphs (b), (c), and (d) are renumbered (a), (b), and (c), respectively.

(Sec. 2, 46 Stat. 1016, sec. 7, 48 Stat. 9, sec. 504, 58 Stat. 293, as amended; 38 U. S. C. 11a, 694, 707. Interpret or apply 57 Stat. 43, secs. 300, 400, 500, 1500–1504, 58 Stat. 286, 287, 291, 300, 301, secs. 5, 6, 7, 10, 11, 59 Stat. 624, 626, 631, 542, 60 Stat. 124, 934, 61 Stat. 180, 449, 739, 791; 38 U. S. C. and Sup., 693g, 697–697d, 697f, 697g, ch. 12 notes)

This regulation effective April 1, 1950.

[SEAL] O. W. CLARK,
Deputy Administrator.

[F. R. Doc. 50-2729; Filed, Mar. 31, 1950; 8:59 a. m.]

1382

TITLE 43—PUBLIC LANDS: INTERIOR

Chapter I—Bureau of Land Management, Department of the Interior

Subchapter A—Alaska

[Circular 1750]

PART 74—RIGHTS-OF-WAY

RESERVATION OF PUBLIC LAND FOR HIGHWAY PURPOSES; APPROPRIATION OF ADJOINING LAND

§ 74.28 *Establishment of reservation.* Public Land Order No. 601 of August 10, 1949 (14 F. R. 5049) provides:

Subject to valid existing rights and to existing surveys and withdrawals for other than highway purposes, the public lands in Alaska lying within 300 feet on each side of the center line of the Alaska Highway, 150 feet on each side of the center line of all other through roads, 100 feet on each side of the center line of all feeder roads, and 50 feet on each side of the center line of all local roads, in accordance with the following classifications, are hereby withdrawn from all forms of appropriation under the public-land laws, including the mining and mineral-leasing laws, and reserved for highway purposes:

Through roads. Alaska Highway, Richardson Highway, Glenn Highway, Haines Highway, Tok Cut-Off.

Feeder roads. Steese Highway, Elliott Highway, McKinley Park Road, Anchorage-Potter-Indian Road, Edgerton Cut-Off, Tok Eagle Road, Ruby-Long-Poorman Road, Nome-Solomon Road, Kenai Lake-Homer Road, Fairbanks-College Road, Anchorage-Lake Spenard Road, Circle Hot Springs Road.

Local roads. All roads not classified above as Through Roads or Feeder Roads, established or maintained under the jurisdiction of the Secretary of the Interior.

§ 74.29 *Effect of reservation.* The reservation made by Public Land Order No. 601 of August 10, 1949, operates as a complete segregation of the land from all forms of appropriation under the public-land laws, including the mining and the mineral-leasing laws. Unless under the law or regulations such right or claim may embrace non-contiguous land, a right or claim to public land in the territory fronting on a withdrawal made by Public Land Order 601 and initiated on

or after August 10, 1949, must be restricted to land on one side of the withdrawn area, except that a homestead settlement or entry may be made for land crossed by the strip withdrawn in connection with a local road, exclusive of such strip.

§ 74.30 *Statement required of applicants as to public roads.* Every applicant for public lands in Alaska whose right or claim does not antedate the withdrawal will be required to state in his application, or in a written statement furnished with the application, whether or not the land applied for is crossed by a public road. If it is, such road must be identified by name or otherwise.

§ 74.31 *Appropriation of land up to reserved area; advance surveys not required.* Subject to § 74.29, public land on either side of the reserved area, both surveyed and unsurveyed, if otherwise available, may be included in claims extending up to but not including any part of the reserve. Where the land has been surveyed under the rectangular system and the surveys have not been closed on the reserved area, applications may be filed and entries allowed for portions of the legal subdivisions outside of the reserved area without awaiting additional surveys. Where the surveys have been closed on the reserved area, the land must be identified in the terms of such surveys. Settlements on unsurveyed public lands must conform to 43 CFR 65.2, so far as practicable.

§ 74.32 *Acreage limitation.* An application presented in advance of the approval of an official survey closing on the reserved area must show that the area described does not exceed the maximum area permitted by the law under which the application is made.

§ 74.33 *Adjustments after survey.* Every application made for public land abutting on the reserved area, not described in the terms of an official plat of survey closing on that area, will be subject to adjustment, both as to description and area, after such an official survey has been made.

(R. S. 2478; 43 U. S. C. 1201)

MARION CLAWSON,
Director.

Approved: March 28, 1950.

OSCAR L. CHAPMAN,
Secretary of the Interior.

[F. R. Doc. 50-2706; Filed, Mar. 31, 1950; 8:48 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF AGRICULTURE

Production and Marketing Administration

[7 CFR, Part 978]

[Docket No. AO-184 A-5]

HANDLING OF MILK IN NASHVILLE, TENN., MILK MARKETING AREA

NOTICE OF HEARING ON PROPOSED AMENDMENT TO TENTATIVE MARKETING AGREEMENT AND TO ORDER, AS AMENDED

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.) and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR, Part 900), notice is hereby given of a public hearing to be held at the Davidson County Courthouse, Nashville, Tennessee, beginning at 9.00 a. m., c. s. t., April 6, 1950, for the purpose of receiving evidence with respect to proposed amendments hereinafter set forth, or appropriate modifications thereof, to the tentative marketing agreement heretofore approved by the Secretary of Agriculture and to the order, as amended, regulating the handling of milk in the Nashville, Tennessee, milk marketing area (7 CFR, Part 978.0; 12 F. R. 7320, 13 F. R. 5526, 14 F. R. 5388, 7756). The specific proposed amendments hereinafter set forth have not received the approval of the Secretary of Agriculture.

Amendments to the order (No. 78), as amended, for the Nashville, Tennessee, milk marketing area have been proposed as follows:

By Nashville Milk Producers, Inc.;

1. Delete § 978.7 (b) (3), (4), and (5) with substitute therefor the following:

(3) Add an amount equivalent to the cash balance on hand in the producer-settlement fund established by the provisions of subparagraph (5) (i) of this paragraph, less the total amount of contingent obligations to handlers pursuant to § 978.8 (d);

(4) Divide the resulting amount by the total hundredweight of producer milk included in these computations; and

(5) (i) Subtract not less than 4 cents nor more than 5 cents for the purpose of retaining in the producer-settlement fund a cash balance to provide against errors in reports and payments or delinquencies in payments by handlers;

(ii) For each of the delivery periods of April, May, and June, beginning April 1950, subtract 45 cents for the purpose of establishing in the producer-settlement fund a cash balance for distribution pursuant to subdivision (iii) of this subparagraph;

(iii) This result shall be known as the "uniform price" per hundredweight for the delivery period for producer milk containing 4 percent butterfat f. o. b. fluid milk plant: *Provided*, That to this amount, for the months of September, October, and November, beginning September 1950, for producers who during the entire period of April, May, and June immediately preceding, held a dairy farm inspection permit issued by the appropriate health authority in the marketing area, there shall be added an amount computed as follows: Divide an amount equivalent to one-third of the total of the 3 amounts representing the cash balance established during the delivery periods of April, May, and June, immediately preceding, as a fall production incentive pursuant to subdivision (ii) of this subparagraph by the total hundredweight of milk received from such producers during the delivery period involved (September, October, or November), adjusted to the nearest whole cent. The resulting amount shall be known as the "uniform price" for such producers for such delivery period.

By the Dairy Branch, Production and Marketing Administration:

2. Renumber the sections, paragraphs, subparagraphs, and subdivisions throughout the order in accordance with the revised FEDERAL REGISTER procedure.

3. Make such other changes as may be required to make the entire marketing agreement and order, as amended, conform with any amendment thereto which may result from this hearing.

Copies of this notice of hearing and of the tentative marketing agreement and the order, as amended, now in effect may be procured from the Market Administrator, Room 309 Presbyterian Building, 152 Fourth Avenue, North, Nashville, Tennessee, or from the Hearing Clerk, Room 1353, South Building, United States Department of Agriculture, Washington 25, D. C., or may be there inspected.

Dated: March 30, 1950, at Washington, D. C.

[SEAL] ROY W. LENNARTSON,
Acting Assistant Administrator.

[F. R. Doc. 50-2780; Filed, Mar. 31, 1950; 9:03 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

[47 CFR, Part 3]

[Docket Nos. 8736, 8975, 8976, 9175]

TELEVISION BROADCAST SERVICE

NOTICE OF RCA DEMONSTRATION AND SCHEDULE OF HEARING DATES FOR THE MONTH OF APRIL

In the matters of amendment of § 3.606 of the Commission's rules and regulations, Docket Nos. 8736 and 8975; amendment of the Commission's rules, regulations and engineering standards concerning the television broadcast service, Docket No. 9175; utilization of frequencies in the band 470 to 890 mcs. for television broadcasting, Docket No. 8976.

1. On April 6, 1950, commencing at 10:00 a. m., the Commission will view a demonstration of a trichromatic television receiving tube to be conducted by Radio Corporation of America at the Trans-Lux Building, Studio A, Fourteenth and H Streets NW., Washington, D. C. Because of the limited space available at said location, tickets for the demonstration will be distributed only

among those parties to this proceeding who are directly concerned with the issues herein relating to color television.

2. During the month of April 1950 the Commission will sit in hearing session at the U. S. Department of Commerce Auditorium on the following dates: April 3, 4, 5 (April 6—morning only—demonstration), 10, 11, 17, 18, 19, 20, 25 and 26.

Adopted: March 24, 1950.

Released: March 27, 1950.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 50-2753; Filed, Mar. 31, 1950; 8:55 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[17 CFR, Parts 240, 249]

EXEMPTION OF WARRANTS

NOTICE OF PROPOSED RULE MAKING

Notice is hereby given that the Securities and Exchange Commission has under consideration a proposal for the revision of § 240.12a–4 (Rule X-12A–4) and Form 15–AN [1] (17 CFR 249.235).

Rule X-12A–4 exempts from section 12 (a) of the act certain short-term warrants upon certain conditions, one of which is the filing with the Commission of a statement on Form 15–AN. While this rule provides an exemption for issued warrants, there is no corresponding exemption for unissued warrants. At the present time, if there is to be "when issued" dealing in unissued warrants, registration of such warrants under Regulation X-12D–3 is necessary. Upon issuance of such warrants, an exemption becomes available under Rule X-12A–4.

In order to simplify the present dual system of registration and exemption with respect to short-term warrants, it is proposed to revise Rule X-12A–4 so as to provide an exemption for both issued and unissued warrants and to revise and simplify Form 15–AN and redesignate it Form AN–4.

All interested persons are invited to submit data, views and comments in regard to the proposed action, in writing, to the Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C., on or before April 20, 1950.

Copies of the proposed revision of Rule X-12A–4 and of the proposed Form AN–4 are attached hereto.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

MARCH 27, 1950.

[1] Filed as part of the original document.

§ 240.12a–4. *Exemption of certain warrants from section 12 (a).* (a) When used in this section or in Form AN–4 (§ 249.235), the following terms shall have the meaning indicated unless the context otherwise requires:

(1) The term "warrant" means any warrant or certificate evidencing a right to subscribe to or otherwise acquire another security, issued or unissued.

(2) The term "beneficiary security" means a security to the holders of which a warrant or right to subscribe to or otherwise acquire another security is granted.

(3) The term "subject security" means a security which is the subject of a warrant or right to subscribe to or otherwise acquire such security.

(4) The term "in the process of admission to dealing," in respect of a specified security means that (i) an application has been filed pursuant to section 12 (b) and (c) of the act for the registration of such security on a national securities exchange; or (ii) the Commission has granted an application made pursuant to section 12 (f) of the act to continue or extend unlisted trading privileges to such security on a national securities exchange; or (iii) written notice has been filed with the Commission by a national securities exchange to the effect that such security has been approved for admission to dealing as a security exempted from the operation of section 12 (a) of the act.

(b) Any issued or unissued warrant which by its terms expires within 90 days after the issuance thereof, shall be exempt from the operation of section 12 (a) of the act to the extent necessary to render lawful the effecting of transactions therein on any national securities exchange (i) on which the beneficiary security is admitted to dealing or (ii) on which the subject security is admitted to dealing or is in the process of admission to dealing, subject to the following terms and conditions:

(1) Either (i) each subject security is admitted to dealing or is in the process of admission to dealing on a national securities exchange; or (ii) there is available from a registration statement and periodic reports or other data filed by the issuer of each subject security, pursuant to any act or rule administered by the Commission, information substantially equivalent to that available pursuant to rules or regulations of the Commission in respect of a security duly listed and registered on a national securities exchange, and the rules of the certifying exchange provide that in the publication of quotations or transactions in such warrants (by ticker or otherwise) a symbol or other means be used to indicate that the subject security is neither admitted nor in the process of admission to dealing on a national securities exchange, and such rules provide further that confirmations to purchasers of such warrants contain a statement to that effect.

(2) A registration statement under the Securities Act of 1933 is in effect as to such warrant and as to each subject security, if such registration is required.

(3) At least five business days prior to the commencement of dealing in such warrant as an exempted security on any such exchange, a statement shall be filed on Form AN–4 (§ 249.235) with the Commission by the issuer or by the exchange setting forth the information called for by that form.

(c) Notwithstanding the foregoing, an unissued warrant shall not be exempt pursuant to this section unless—

(1) Formal or official announcement has been made by the issuer specifying (i) the terms upon which such warrant and each subject security is to be issued, (ii) the date, if any, as of which the security holders entitled to receive such warrant will be determined, (iii) the approximate date of the issuance of such warrant, and (iv) the approximate date of the issuance of each subject security.

(2) The members of the exchange are subject to rules which provide that the performance of the contract to purchase and sell an unissued warrant shall be conditioned upon the issuance of such warrant.

(d) The Commission may by order deny or revoke the exemption of a warrant under this section, if, after appropriate notice and opportunity for hearing to the issuer of such warrant and to the exchange or exchanges on which such warrant is admitted to dealing as an exempted security, it finds that—

(1) Any of the terms or conditions of this section have not been met with respect to such exemption; or

(2) At any time during the period of such exemption transactions have been effected on any such exchange in such warrant which (i) create or induce a false, misleading or artificial appearance of activity, (ii) unduly or improperly influence the market price, or (iii) make a price which does not reflect the true state of the market; or

(3) Any other facts exist which make such denial or revocation necessary or appropriate in the public interest or for the protection of investors.

(e) If it appears necessary or appropriate in the public interest or for the protection of investors, the Commission may summarily suspend the exemption of such warrant pending the determination by the Commission whether such exemption shall be denied or revoked.

(f) Section 240.10b–1 shall be applicable to any warrant exempted by this section.

[F. R. Doc. 50-2717; Filed, Mar. 31, 1950; 9:03 a. m.]

NOTICES

DEPARTMENT OF AGRICULTURE

Forest Service

TONTO NATIONAL FOREST, ARIZONA

REMOVAL OF TRESPASSING HORSES AND BURROS

Whereas a number of horses and burros are trespassing and grazing on portions of the Reevis, Superstition, St. Clair, and Chalk Mountain Allotments on the Tonto National Forest, in the State of Arizona; and

Whereas these horses and burros are consuming forage needed for permitted livestock, are causing extra expense to established permittees, and are injuring national-forest lands;

Now, therefore, by virtue of the authority vested in the Secretary of Agriculture by the act of June 4, 1897 (30 Stat., 35; 16 U. S. C. 551), and the act of February 1, 1905 (33 Stat., 628; 16 U. S. C. 472), the following order is issued for the occupancy, use, protection, and administration of land in the Reevis, Superstition, St. Clair, and Chalk Mountain Allotments of the Tonto National Forest, within Maricopa and Yavapai Counties, State of Arizona, as described below:

Temporary closure from livestock grazing. (a) The following-described areas within the Tonto National Forest are hereby closed from May 1 to September 30, 1950 to the grazing of horses and burros, excepting those that are lawfully grazing on or crossing land in such areas pursuant to the regulations of the Secretary of Agriculture, or which are used in connection with operations authorized by such regulations, or used as riding, pack, or draft animals by persons traveling over such land:

Reevis and Superstition Allotments, Maricopa County. The south half of T. 3 N., Ranges 9 and 10 East, and T. 2 N., Ranges 9 and 10 East.

St. Clair Allotment, Maricopa County. 12 sections in NW portion of T. 6 N., R. 7 E.; 4 sections in the SW corner of T. 7 N., R. 7 E.; all of T. 7 N., R. 6 E., except 4½ sections in the NW corner; 6 sections in the NW portion of T. 6 N., R. 6 E.; and 3 sections in the NE corner of T. 6 N., R. 5 E.

Chalk Mountain Sheep Allotment, Yavapai County. Approximately 5 sections in the E. portion of T. 9 N., R. 8 E.; 15 sections in the S. portion of T. 9 N., R. 7 E.; 19 sections in the N. portion of T. 8 N., R. 7 E.; 28 sections in the E. portion of T. 8 N., R. 6 E.; 7½ sections in the S. portion of T. 9 N., R. 6 E.

(b) Officers of the United States Forest Service are hereby authorized to dispose of, in the most humane manner, all horses and burros found trespassing or grazing in violation of this order.

(c) Public notice of intention to dispose of such horses and burros shall be given by posting notices in public places or advertising in a newspaper of general circulation in the locality in which the Tonto National Forest is located.

Done at Washington, D. C., this 29th day of March 1950. Witness my hand and the seal of the Department of Agriculture.

[SEAL] K. T. HUTCHINSON,
Acting Secretary of Agriculture.

[F. R. Doc. 50-2719; Filed, Mar. 31, 1950; 8:52 a. m.]

CIVIL AERONAUTICS BOARD

[Docket No. 3661]

THROUGH SERVICE INVESTIGATION; TWIN CITIES-WASHINGTON, DETROIT-WASHINGTON

NOTICE OF HEARING

In the matter of a proceeding to determine whether public convenience and necessity require elimination or suspension of certain uneconomic competitive service between Minneapolis-St. Paul, Minn., and Washington, D. C., and between Detroit, Mich., and Washington, D. C., and the establishment of certain through air transportation in lieu thereof by means of interchange arrangements.

Notice is hereby given, pursuant to the Civil Aeronautics Act of 1938, as amended, particularly sections 205 (a), 401 (h), 404 (a) and 1002 (i) of said act, and the applicable regulations thereunder, that a hearing in the above-entitled proceeding is assigned to be held on April 10, 1950, e. s. t., at 10 a. m., in Conference Room A, Departmental Auditorium, Constitution Avenue between Thirteenth and Fourteenth Streets NW., Washington, D. C., before Examiner William F. Cusick. For further details regarding this proceeding, interested parties are referred to the Board's order, Serial No. E-2481, the Report of the prehearing conference in this matter served January 9, 1950, and the docket in this proceeding on file with the Docket Section of the Civil Aeronautics Board.

Without limiting the precise scope of the issues, particular attention will be directed to the following matters and questions:

(1) Whether the public convenience and necessity require the alteration, amendment, modification or suspension of Northwest Airlines, Inc., certificate for Route No. 3 to eliminate and/or suspend in whole or in part the Detroit-Washington segment of said route and/or to impose or change restrictions with respect to service to be rendered pursuant to said certificate between Minneapolis-St. Paul, and Washington, D. C.

(2) Whether the public convenience and necessity require the alteration, amendment, modification or suspension of Capital Airlines, Inc., certificate for Route No. 14 to eliminate and/or suspend the Minneapolis-St. Paul-Milwaukee segment of said route and/or to impose or change restrictions with respect to service to be rendered pursuant to said certificate between Minneapolis-St. Paul, Minn., and Washington, D. C.

(3) Whether the public convenience and necessity require the establishment by Northwest Airlines, Inc., and Capital Airlines, Inc., of their service (by interchange arrangements or otherwise) between Washington, D. C., Pittsburgh, Pa., and/or Cleveland, Ohio, on the one hand, and Minneapolis-St. Paul, Minn., and/or points thereof on Northwest's Route No. 3, on the other hand (including the terms and conditions under which such through service shall be operated).

Dated at Washington, D. C., this 28th day of March 1950.

By the Civil Aeronautics Board.

[SEAL] M. C. MULLIGAN,
Secretary.

[F. R. Doc. 50-2734; Filed, Mar. 31, 1950; 8:52 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

STATEMENT OF ORGANIZATION

OFFICE OF FORMAL HEARING ASSISTANTS

At a session of the Federal Communications Commission, held at its offices in Washington, D. C., on the 24th day of March 1950.

The Commission having under consideration the necessity for amending the Statement of Organization of the Commission to reflect a change in internal procedures of the Commission relating to formal hearings; and

It appearing, that such amendment is designed to improve the internal administration of the Commission and will best conduce to the proper dispatch of the Commission's business and to the ends of justice; and

It further appearing, that the proposed amendment to the rules and regulations is organizational in nature, and that publication of notice of proposed Rule Making pursuant to section 4 (a) of the Administrative Procedure Act is not required:

It is ordered, That, effective immediately, the Statement of Organization of the Commission's rules and regulations is amended to add a new section to read as follows:

SEC. 0.92 *Office of Formal Hearing Assistants.* Under the supervision of the Commission, in formal proceedings involving the taking of testimony, other than those solely involving rule making, assists, advises and makes recommendations to the Commission, prepares digests of the record, conducts research, and, as may be directed by the Commission drafts orders, opinions and decisions, in connection with (1) appeal to and review by the Commission of initial decisions in such proceedings; (2) appeal to and review by the Commission of rulings on motions and petitions in such proceedings; and (3) determination by the Commission of petitions for rehear-

ing, reconsideration and reargument following final decision in such proceedings.

Released: March 27, 1950.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 50-2752; Filed, Mar. 31, 1950; 8:55 a. m.]

[Docket No. 8860]

SOONER BROADCASTING CO. (KTOW)

AMENDED ORDER DESIGNATING APPLICATION FOR HEARING ON STATED ISSUES

In re application of Sooner Broadcasting Company (KTOW), Oklahoma City, Oklahoma, for construction permit; Docket No. 8860, File No. BP-6646.

At a session of the Federal Communications Commission, held at its offices in Washington, D. C., on the 6th day of March 1950;

The Commission having under consideration the above-entitled application which requests a construction permit to change the facilities of Station KTOW, Oklahoma City, Oklahoma, from frequency 800 kilocycles, 250 watts power, daytime only to frequency 590 kilocycles, 1 kilowatt, unlimited time, to install new transmitter, change transmitter location and to install a directional antenna for day and night use;

It appearing, that, the applicant is legally, technically, financially, and otherwise qualified to operate Station KTOW as proposed and that no objectionable interference would be involved with the services proposed in any other pending applications for broadcast facilities, but that the application may involve interference with one or more existing stations and otherwise not comply with the Standards of Good Engineering Practice;

It is ordered, That, pursuant to section 309 (a) of the Communications Act of 1934, as amended, the said application is designated for hearing at 10:00 a. m., on June 5, 1950, at Washington, D. C., upon the following issues:

1. To determine the areas and populations which may be expected to gain or lose primary service from the operation of Station KTOW as proposed and the character of other broadcast service available to those areas and populations.

2. To determine whether the operation of Station KTOW as proposed would involve objectionable interference with Stations WOW, Omaha, Nebraska, WBAP, Fort Worth, Texas, WFAA, Dallas, Texas, or with any other existing United States broadcast stations and, if so, the nature and extent thereof, the areas and populations affected thereby, and the availability of other broadcast service to such areas and populations.

3. To determine whether the operation of Station KTOW as proposed would involve objectionable interference with Station CMCY, Havana, Cuba, or with any other existing foreign broadcast stations and, if so, whether such interference would be in contravention of any international agreement or the Commission's rules and standards.

4. To determine whether the installation and operation of Station KTOW as proposed would be in compliance with the Commission's rules and standards of Good Engineering Practice Concerning Standard Broadcast Stations.

It is further ordered, That, WOW, Incorporated, licensee of Station WOW, Omaha, Nebraska, Carter Publications, Inc., licensee of Station WBAP, Fort Worth, Texas, and A. H. Belo Corp., licensee of Station WFAA, Dallas, Texas, are made parties to the proceeding.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 50-2750; Filed, Mar. 31, 1950; 8:54 a. m.]

[Docket No. 9230, 9567]

COSTON-TOMPKINS BROADCASTING CO. AND DAVID W. JEFFRIES

ORDER CONTINUING HEARING

In re applications of James Goodrich Coston and Julian Lanier Tompkins, tr/as Coston-Tompkins Broadcasting Company, Ironton, Ohio, Docket No. 9230, File No. BP-6902; David W. Jeffries, Ironton, Ohio, Docket No. 9567, File No. BP-7427; for construction permits.

The Commission having under consideration a request filed March 17, 1950, by James G. Coston, asking that the Commission continue the hearing presently set for March 29, 1950, at Washington, D. C., in the proceeding upon the above-entitled applications for construction permits;

It is ordered, This 24th day of March 1950 that the request is granted; and that the hearing in the proceeding upon the above-entitled applications is continued indefinitely.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 50-2754; Filed, Mar. 31, 1950; 8:55 a. m.]

[Docket No. 9334, 9574]

COASTAL BROADCASTING CO. (WHIT) AND COMMONWEALTH BROADCASTING CORP. (WELS)

ORDER CONTINUING HEARING

In re applications of Coastal Broadcasting Company (WHIT), New Bern, North Carolina, Docket No. 9334, File No. BP-7208; Commonwealth Broadcasting Corporation (WELS), Kinston, North Carolina, Docket No. 9574, File No. BMP-4917; for construction permit and modification of construction permit.

The Commission having under consideration the petition of Coastal Broadcasting Company (WHIT), for leave to amend its application, and the petition of Commonwealth Broadcasting Corporation (WELS), for continuance of the consolidated hearing in this matter which is presently scheduled for April 5, 1950;

It appearing, that Coastal Broadcasting Company is making application for authority to change the facilities of Station WHIT in New Bern, North Carolina, from 1450 kilocycles, 250 watts, unlimited time, to 960 kilocycles, 1 kilowatt, unlimited time, with directional antenna system at night, that the application of Commonwealth Broadcasting Corporation is for modification of its outstanding construction permit to authorize the operation of Station WELS on 960 kilocycles in lieu of 1010 kilocycles, with power 1 kilowatt, daytime hours only; and that the two proposals are in conflict from the standpoint of causing mutually prohibitive interference;

It appearing further, that the amendment to the application of Coastal Broadcasting Company is designed for the sole purpose of reducing the interference which its proposal would cause to an existing station in Roanoke, Virginia;

It appearing further, that Commonwealth Broadcasting Corporation desires a continuance of the hearing upon these conflicting applications, by reason of the fact that it has recently retained the services of new counsel who will require about thirty additional days, subsequent to April 5, 1950, within which to make adequate preparation for the hearing;

It appearing further, that good cause has been shown in support of these petitions and no opposition to them has been filed by any of the other interested parties herein;

It is ordered, This 24th day of March 1950 that the petitions under consideration be, and they are hereby, granted; the amendment to the application of Coastal Broadcasting Company (WHIT), is accepted; and the consolidated hearing in this cause is continued from April 5 to May 8, 1950, in Washington, D. C.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 50-2749; Filed, Mar. 31, 1950; 8:54 a. m.]

[Docket Nos. 9439, 9597, 9611]

WEST TEXAS BROADCASTERS, INC., ET AL.

ORDER DESIGNATING APPLICATION FOR HEARING ON STATED ISSUES

In re applications of West Texas Broadcasters, Incorporated, Plainview, Texas (KPLW), for construction permit, Docket No. 9611, File No. BP-7222; West Texas Broadcasters, Inc., Floydada, Texas (KPLW), for modification of construction permit, Docket No. 9597, File No. BMP-4965; Francis David Burgess, Robert Olin Lowery, Francis J. Burgess, Allan S. Heard, Walker B. Jones and R. F. McCasland d/b as Tul'e Broadcasting Company, Tulia, Texas, for construction permit, Docket No. 9439, File No. BP-7276.

At a session of the Federal Communications Commission, held at its offices

in Washington, D. C., on the 21st day of March 1950;

The Commission having under consideration a petition filed November 10, 1949, by Caprock Broadcasting Company, licensee of Station KCBD, Lubbock, Texas requesting that the Commission reconsider its action of October 21, 1949, granting without hearing the above-entitled application for a permit to construct a new standard broadcast station to operate on frequency 1570 kilocycles, with 250 watts power, daytime only at Plainview, Texas, set aside the grant and designate the said application for hearing with Caprock Broadcasting Company being made a party to the proceeding;

It appearing, that the operation of the station proposed in the above-entitled application for construction permit may cause objectionable interference within the normally protected daytime service area of Station KCBD; and

It further appearing, that, the above-entitled application for modification of construction permit to change frequency from 1570 kilocycles to 900 kilocycles and to change transmitter and studio location from Plainview, Texas to Floydada, Texas was designated for hearing on March 6, 1950, in a consolidated proceeding with the application of Tul'e Broadcasting Company, File Number BP-7276, Docket Number 9439;

It is ordered, That, on the Commission's own motion the action of March 6, 1950, designating the applications of West Texas Broadcasters, Incorporated for modification of construction permit and of Tul'e Broadcasting Company (File Number BP-7276, Docket Number 9439) for hearing in a consolidated proceeding is set aside and the said applications removed from the hearing docket; and

It is further ordered, That, pursuant to section 405 of the Communications Act of 1934, as amended, the said petition is granted, the action of the Commission of October 21, 1949, granting the above-entitled application for construction permit is set aside and the said application is designated for hearing at 10:00 a. m., on June 21, 1950, at Washington, D. C., upon the following issues:

1. To determine the areas and populations which may be expected to gain or lose primary service from the operation of the proposed station and the character of other broadcast service available to those areas and populations.

2. To determine whether the operation of the proposed station would involve objectionable interference with Station KCBD, Lubbock, Texas, or with any other existing broadcast stations and, if so, the nature and extent thereof, the areas and populations affected thereby, and the availability of other broadcast service to such areas and populations.

3. To determine whether the installation and operation of the proposed station would be in compliance with the Commission's rules and Standards of Good Engineering Practice Concerning Standard Broadcast Stations.

It is further ordered, That, Caprock Broadcasting Company, licensee of Station KCBD, Lubbock, Texas, is made a party to the proceeding.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 50-2751; Filed, Mar. 31, 1950; 8:55 a. m.]

FEDERAL POWER COMMISSION

[Project No. 2041]

COUNTY OF BUTTE, CALIFORNIA

NOTICE OF APPLICATION FOR PRELIMINARY PERMIT

MARCH 28, 1950.

Public notice is hereby given that the County of Butte, California, has filed application under the Federal Power Act (16 U. S. C. 791a-825r) for preliminary permit for proposed water-power project No. 2041 (Iron Canyon) to be located on the Sacramento River in Shasta and Tehama Counties, California, and consisting of a dam in sec. 3, T. 27 N., R. 3 W., Mount Diablo Meridian; a reservoir which would store 503,000 acre-feet of water per annum; a powerhouse at the dam with installed capacity of 54,000 kilowatts; and appurtenant facilities. The preliminary permit, if issued, shall be for the sole purpose of maintaining priority of application for a license under the terms of the Federal Power Act for the proposed project.

Any protest against the approval of this application or request for hearing thereon, with the reasons for such protest or request and the name and address of the party or parties so protesting or requesting, should be submitted before May 10, 1950, to the Federal Power Commission, Washington 25, D. C.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 50-2707; Filed, Mar. 31, 1950; 8:49 a. m.]

INTERSTATE COMMERCE COMMISSION

[4th Sec. Application 24983]

PHOSPHATE ROCK FROM FLORIDA TO HATTIESBURG, MISS.

APPLICATION FOR RELIEF

MARCH 29, 1950.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: R. E. Boyle, Jr., Agent, for and on behalf of carriers parties to the tariffs named below.

Commodities involved: Phosphate rock, crude, carloads.

From: Points in Florida.

To: Hattiesburg, Miss.

Grounds for relief: Competition with water-rail carriers.

Schedules filed containing proposed rates: ACL., tariff I. C. C. No. B-3232, Supplement 14. SAL., tariff I. C .C. No. A-8153, Supplement 13.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 50-2722; Filed, Mar. 31, 1950; 8:52 a. m.]

[4th Sec. Application 24984]

PULPBOARD FROM MOBILE, ALA., TO ATLANTA, GA.

APPLICATION FOR RELIEF

MARCH 29, 1950.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: R. E. Boyle, Jr., Agent, for and on behalf of carriers parties to Agent C. A. Spaninger's tariff I. C. C. No. 1069.

Commodities involved: Pulpboard, carloads.

From: Mobile, Ala.

To: Atlanta, Ga.

Grounds for relief: Circuitous routes.

Schedules filed containing proposed rates: C. A. Spaninger's tariff I. C. C. No. 1069, Supplement 110.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 50-2723; Filed, Mar. 31, 1950; 8:53 a. m.]

[4th Sec. Application 24985]

RUBBER FROM LOUISVILLE, KY., TO THE SOUTH

APPLICATION FOR RELIEF

MARCH 29, 1950.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: R. E. Boyle, Jr., Agent, for and on behalf of carriers parties to Agent C. A. Spaninger's tariff I. C. C. No. 1013.

Commodities involved: Rubber, guayule or natural, carloads.

From: Louisville, Ky.

To: Points in the South.

Grounds for relief: Circuitous routes, to apply over short tariff routes rates constructed on the basis of the short line distance formula and analogous commodity.

Schedules filed containing proposed rates: C. A. Spaninger's tariff I. C. C. No. 1013, Supplement 131.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL, *Secretary.*

[F. R. Doc. 50-2724; Filed, Mar. 31, 1950; 8:53 a. m.]

[4th Sec. Application 24986]

COKE BRIQUETTES FROM SUPERIOR, WIS., TO POINTS IN WISCONSIN

APPLICATION FOR RELIEF

MARCH 29, 1950.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: L. E. Kipp, Agent, for and on behalf of carriers parties to fourth-section application No. 24590.

Commodities involved: Briquettes made of petroleum coke fines or a mixture of such fines and coal, carloads.

From: Superior, Wis.

To: Points in Wisconsin.

Grounds for relief: To meet intrastate rates.

Schedules filed containing proposed rates: CMStP&P., tariff I. C. C. No. B-7627, Supplement 1. GN., tariff I. C. C. No. A-8392, Supplement 3. MStP&SSM., tariff I. C. C. No. 7322.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL, *Secretary.*

[F. R. Doc. 50-2725; Filed, Mar. 31, 1950; 8:53 a. m.]

[4th Sec. Application 24987]

SCRAP PAPER FROM SOUTHWEST TO MINNESOTA AND WISCONSIN

APPLICATION FOR RELIEF

MARCH 29, 1950.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: D. Q. Marsh, Agent for and on behalf of carriers parties to the tariffs listed below.

Commodities involved: Paper, scrap or waste, carloads.

From: Points in the southwest.

To: Points in Minnesota and Wisconsin.

Grounds for relief: Circuitous routes.

Schedules filed containing proposed rates: D. Q. Marsh's tariffs I. C. C. Nos. 3708, 3752, 3638 and 3595, Supplements Nos. 242, 411, 228 and 292, respectively.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL, *Secretary.*

[F. R. Doc. 50-2726; Filed, Mar. 31, 1950; 8:53 a. m.]

[Rev. S. O. 562, King's I. C. C. Order 21]

GENESEE AND WYOMING RAILROAD CO.

REROUTING OR DIVERSION OF TRAFFIC

In the opinion of Homer C. King, Agent, the Genesee and Wyoming Railroad Company, because of flood conditions is unable to transport traffic routed over its lines via Pittsburgh and Lehigh Junction or Genesee and Wyoming Junction. It is ordered, that:

(a) *Rerouting traffic.* The Genesee and Wyoming Railroad Company is hereby authorized and directed to reroute or divert traffic on its lines, routed over its lines via Pittsburgh and Lehigh Junction or Genesee and Wyoming Junction, over any available route to expedite the movement; the billing covering all such cars rerouted shall carry a reference to this order as authority for the rerouting.

(b) *Concurrence of receiving roads to be obtained.* The railroad desiring to divert or reroute traffic under this order shall confer with the proper transportation officer of the railroad or railroads to which such traffic is to be diverted or rerouted, and shall receive the concurrence of such other railroads before the rerouting or diversion is ordered.

(c) *Notification to shippers.* The carrier rerouting cars in accordance with this order shall notify each shipper at the time each car is rerouted or diverted and shall furnish to such shipper the new routing provided under this order.

(d) *Effective date.* This order shall become effective 2:00 p. m., March 28, 1950.

(e) *Expiration date.* This order shall expire at 7:00 a. m., April 1, 1950, unless otherwise modified, changed, suspended or annulled.

It is further ordered, that this order shall be served upon the Association of American Railroads, Car Service Division as agent of all railroads subscribing to the car service and per diem agreement under the terms of that agreement, and by filing it with the Director, Division of the Federal Register.

Issued at Washington, D. C., March 28, 1950.

INTERSTATE COMMERCE COMMISSION,
HOMER C. KING,
Agent.

[F. R. Doc. 50-2727; Filed, Mar. 31, 1950; 8:54 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 7-1152]

PARAMOUNT PICTURES CORP.

ORDER GRANTING APPLICATION

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 28th day of March A. D. 1950.

The Los Angeles Stock Exchange has made application to the Commission pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934 and Rule X-12F-1 for permission to extend unlisted trading privileges to the Common Stock, $1.00 Par Value, of Paramount Pictures Corporation.

After appropriate notice and opportunity for hearing and in the absence of any request by any interested person for hearing on this matter, the Commission on the basis of the facts submitted in the application finds:

(1) That the Common Stock, $1.00 Par Value, of Paramount Pictures Corporation is registered and listed on the New York Stock Exchange;

(2) That sufficient public distribution of, and sufficient public trading activity in, this security exist in the vicinity of the applicant exchange to render the extension of unlisted trading privileges thereto appropriate in the public interest and for the protection of investors; and

(3) That the extension of unlisted trading privileges on the applicant exchange to this security is otherwise appropriate in the public interest and for the protection of investors.

Accordingly it is ordered, Pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934, that the application of the Los Angeles Stock Exchange for permission to extend unlisted trading privileges to the Common Stock, $1.00 Par Value, of Paramount Pictures Corporation be, and the same is, hereby granted.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 50-2708; Filed, Mar. 31, 1950; 8:49 a. m.]

[File No. 7-1154]

PARAMOUNT PICTURES CORP.

ORDER GRANTING APPLICATION

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 28th day of March A. D. 1950.

The San Francisco Stock Exchange has made application to the Commission pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934 and Rule X-12F-1 for permission to extend unlisted trading privileges to the Common Stock, $1.00 Par Value, of Paramount Pictures Corporation.

After appropriate notice and opportunity for hearing and in the absence of any request by any interested person for hearing on this matter, the Commission on the basis of the facts submitted in the application finds:

(1) That the Common Stock, $1.00 Par Value, of Paramount Pictures Corporation is registered and listed on the New York Stock Exchange;

(2) That sufficient public distribution of, and sufficient public trading activity in, this security exist in the vicinity of the applicant exchange to render the extension of unlisted trading privileges thereto appropriate in the public interest and for the protection of investors; and

(3) That the extension of unlisted trading privileges on the applicant exchange to this security is otherwise appropriate in the public interest and for the protection of investors.

Accordingly it is ordered, Pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934, that the application of the San Francisco Stock Exchange for permission to extend unlisted trading privileges to the Common Stock, $1.00 Par Value, of Paramount Pictures Corporation be, and the same is, hereby granted.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 50-2711; Filed, Mar. 31, 1950; 8:50 a. m.]

[File No. 7-1157]

PAN AMERICAN WORLD AIRWAYS, INC.

ORDER GRANTING APPLICATION

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 28th day of March A. D. 1950.

The Los Angeles Stock Exchange has made application to the Commission pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934 and Rule X-12F-1 for permission to extend unlisted trading privileges to the Capital Stock, $1 Par Value, of Pan American World Airways, Inc.

After appropriate notice and opportunity for hearing and in the absence of any request by any interested person for hearing on this matter, the Commission on the basis of the facts submitted in the application finds:

(1) That the Capital Stock, $1 Par Value, of Pan American World Airways, Inc. is registered and listed on the New York Stock Exchange;

(2) That sufficient public distribution of, and sufficient public trading activity in, this security exist in the vicinity of the applicant exchange to render the extension of unlisted trading privileges thereto appropriate in the public interest and for the protection of investors; and

(3) That the extension of unlisted trading privileges on the applicant exchange to this security is otherwise appropriate in the public interest and for the protection of investors.

Accordingly it is ordered, Pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934, that the application of the Los Angeles Stock Exchange for permission to extend unlisted trading privileges to the Capital Stock, $1 Par Value, of Pan American World Airways, Inc., be, and the same is, hereby granted.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 50-2709; Filed, Mar. 31, 1950; 8:49 a. m.]

[File No. 7-1158]

PAN AMERICAN WORLD AIRWAYS, INC.

ORDER GRANTING APPLICATION

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 28th day of March A. D. 1950.

The San Francisco Stock Exchange has made application to the Commission pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934 and Rule X-12F-1 for permission to extend unlisted trading privileges to the Capital Stock, $1 Par Value, of Pan American World Airways, Inc.

After appropriate notice and opportunity for hearing and in the absence of any request by any interested person for hearing on this matter, the Commission on the basis of the facts submitted in the application finds:

(1) That the Capital Stock, $1 Par Value, of Pan American World Airways, Inc. is registered and listed on the New York Stock Exchange;

(2) That sufficient public distribution of, and sufficient public trading activity in, this security exist in the vicinity of the applicant exchange to render the extension of unlisted trading privileges thereto appropriate in the public interest and for the protection of investors; and

(3) That the extension of unlisted trading privileges on the applicant exchange to this security is otherwise appropriate in the public interest and for the protection of investors.

Accordingly it is ordered, Pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934, that the application of the San Francisco Stock Exchange for permission to extend unlisted trading privileges to the Capital Stock, $1 Par Value, of Pan American World Airways, Inc., be, and the same is, hereby granted.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 50-2710; Filed, Mar. 31, 1950; 8:50 a. m.]

[File No. 52-28, 54-183]

PITTSBURGH RAILWAYS CO. & PHILADELPHIA CO.

ORDER APPROVING PLAN

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 27th day of March A. D. 1950.

In the matter of Elmer E. Bauer, trustee of Pittsburgh Railways Company, Debtor and Philadelphia Company, File No. 52-28; Philadelphia Company, File No. 54-183.

Elmer E. Bauer, Trustee of Pittsburgh Railways Company, Debtor ("Railways"), and Philadelphia Company, a registered holding company which owns all the preferred and common stock of Railways, having jointly filed a plan and amendments thereto ("Combined Plan") for the reorganization of the Pittsburgh Railways System ("Railways System") under Chapter X of the Bankruptcy Act and section 11 (f) of the Public Utility Holding Company Act of 1935 ("Holding Company Act") and for the discharge under section 11 (e) of the Holding Company Act of Philadelphia Company's guarantees affecting Railways System securities, such Combined Plan, providing, in substance, for:

(a) The creation of a new company ("New Company") which will own and operate the properties now comprising the Railways System, and whose capital structure will consist of equipment obligations, twenty-year 5% First Mortgage Bonds ("New Bonds") of not more than $6,000,000 and 1,076,096 shares of no par common stock ("New Stock");

(b) The distribution of cash in an amount not less than $17,000,000, and of the New Bonds and New Stock, as follows:

(1) Public holders of Railways System securities affected by guarantees of Philadelphia Company, outstanding in the principal and par amount of $10,902,167, will receive cash in the aggregate amount of $10,767,909;

(2) Public holders of Railways System unguaranteed bonds, outstanding in the principal amount of $11,707,500, will receive cash and principal amount of New Bonds aggregating $11,707,500 plus 150,763 shares (14.0%) of New Stock;

(3) Public holders of Railways System unguaranteed stocks, outstanding in the par amount of $4,515,550, will receive $449,607 in cash plus 377,655 shares (35.1%) of New Stock;

(4) Philadelphia Company and its subsidiaries, which hold bonds, stocks, and other claims against Railways System exceeding $76,000,000 exclusive of interest and dividend accruals and exclusive of $5,000,000 of capital stock of Railways, will receive 547,678 shares (50.9%) of New Stock and will be discharged from all guarantee obligations in respect of Railways System securities; and

(c) The discharge by cash payments of miscellaneous claims not based on securities, including tax claims, personal injury and property damage claims, claims of the County of Allegheny and the City of Pittsburgh and other municipal creditors, claims for merchandise or services, and claims of West Penn Railways Company and The Pittsburgh & Castle Shannon Rail Road Company; and

Said Combined Plan having been filed for the purpose of complying with the provisions of section 11 (b) of the Holding Company Act and of settling and compromising all pending litigation and controversies affecting the reorganization of the Railways System and Philadelphia Company's guarantees, including the issue whether the claims of Philadelphia Company and its subsidiaries should be subordinated to public claims and controversies among and between the various groups of public security holders; and

Public hearings having been held, after appropriate notice, at which hearings security holders and other interested persons were afforded an opportunity to be heard, and the Division of Public Utilities of the Commission having filed its recommendation for findings and opinion to be issued by the Commission and statements in support thereof and briefs and exceptions thereto having been filed; and

The Commission having considered the record, and having this day issued its findings and opinion, concluding therein that the Combined Plan is necessary to effectuate the provisions of section 11 (b) of the act, feasible, and fair and equitable to the persons affected thereby;

It is ordered, Pursuant to sections 11 (e), 11 (f) and other applicable provisions of the Holding Company Act, that:

(1) The Combined Plan as amended be and hereby is approved, and the applications and declarations with respect to the transactions involved in consummation of the Combined Plan be and hereby are granted and permitted to become effective, subject to the conditions specified in Rule U-24 of the general rules and regulations promulgated under the Holding Company Act, and subject to the conditions that:

(a) Philadelphia Company by amendment to its application shall specifically undertake to pay such fees and expenses allocable to the proceedings under section 11 (e) of the Holding Company Act as the Commission may approve;

(b) The acquisition by Philadelphia Company of New Stock shall be subject to the Commission's order under section 11 (b) requiring Philadelphia Company to divest itself of its interest in the Railways System and to dissolve, and such New Stock shall be deemed to have been held by Philadelphia Company as of the date of entry of such section 11 (b) order;

(c) Philadelphia Company shall not make any claims for fees or expenses against the estate in the bankruptcy reorganization proceedings;

(2) Jurisdiction be and hereby is reserved;

(a) To reexamine, prior to consummation of the Combined Plan, the question of the amount of available cash and the amount of New Bonds to be distributed to holders of Railways System securities;

(b) To examine and require appropriate accounting entries to be made by New Company and Philadelphia Company in connection with consummation of the Combined Plan;

(c) To reexamine prior to consummation of the Combined Plan questions with respect to interest on the New Bonds and the right of unguaranteed bondholders to receive compensation for any claims to interest which may not be covered by their treatment under the Combined Plan;

(d) To examine and approve the reasonableness and appropriate allocation of all fees and expenses incurred and to be incurred in connection with the proceedings under section 11 (e) of the Holding Company Act;

(e) To examine and approve settlements of claims arising from the rejection of contracts, agreements or leases between Railways and Philadelphia Company and its subsidiaries;

(f) To consider requests for and make appropriate tax recitals and findings;

(g) To entertain such further proceedings, to make such supplemental findings, to take such further action, and to enter such further orders as the Commission may deem necessary or appropriate in these proceedings.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 50-2712; Filed, Mar. 31, 1950; 8:50 a. m.]

[File Nos. 50-34, 70-2340—70-2343]

PHILADELPHIA CO. ET AL.

SUPPLEMENTAL ORDER GRANTING AND PERMITTING AMENDED APPLICATIONS-DECLARATIONS TO BECOME EFFECTIVE

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 27th day of March 1950.

In the matter of Philadelphia Company, Equitable Gas Company, Pittsburgh and West Virginia Gas Company, Kentucky West Virginia Gas Company, File No. 70-2343; Philadelphia Company, File No. 70-2342; Philadelphia Company, File No. 50-34; Standard Gas and Electric Company, File No. 70-2341; Standard Gas and Electric Company, Philadelphia Company, File No. 70-2340.

The Commission having on March 14, 1950, pursuant to the Public Utility Holding Company Act of 1935 ("act"), entered an order in the above-entitled matter, granting the applications, as amended, and permitting the declarations, as amended, to become effective, with respect to various proposed transactions including the sale to underwriters by Philadelphia Company ("Philadelphia"), a registered holding company, of 2,000,000 shares of the common stock of its subsidiary, Equitable Gas Company, a public utility company; and

The Commission having by such order granted the application of Philadelphia for an exemption from the competitive bidding requirements of Rule U-50 with respect to the sale of such stock subject to the condition that the sale shall not be consummated until the results of the negotiations with underwriters have been made a matter of record herein and a further order entered by the Commission on the basis of the record as so completed; and

It appearing that, pursuant to negotiations conducted by Philadelphia with a number of investment bankers subsequent to our order granting an exemption from Rule U-50, a contract has been entered into with an underwriting group, represented by Kidder, Peabody & Co., Merrill Lynch, Pierce, Fenner & Beane, and White Weld & Co., for the sale of such stock at a price of $22.8775 per share, aggregating $45,755,000, and that such stock is to be resold to the public at $24.25 per share, representing a spread to the underwriters of $1.3725 per share, or an aggregate of $2,745,000; and

The Commission's order, dated March 14, 1950, having reserved jurisdiction with respect to all accounting entries on the books of Philadelphia in connection with the proposed transactions; and

It further appearing that on June 9, 1941, Philadelphia filed with this Commission a Form U-A amending a Form U-1 application-declaration (File No. 70-324) previously filed by the company in connection with certain refinancing then being undertaken by Philadelphia, and that such Form U-A contained the following proposal, among others, upon the basis of which the application-declaration was granted and permitted to become effective:

(I) In the twelve-month period ending July 31, of each year, beginning with the year 1942 and ending with the year 1956, Phila-

delphia Company will set aside from its earnings for that period a sum determined as hereinafter set forth and credit said sum in its accounts to "Reserve for Revaluation of Assets". Said sum shall be the amount remaining after deducting from (a) the amount of money expended or appropriated by Philadelphia Company in that period for the retirement of its Collateral Trust Serial Notes and Collateral Trust Sinking Fund Bonds, (b) the amount of income of Pifiladelphia Company for that period appropriated or charged by Philadelphia Company in that period to "Debt Discount and Expense".; and

Philadelphia having heretofore proposed to apply the proceeds from the sale of such stock to the redemption and retirement of its funded debt and having subsequently conditioned such proposal to the effect that the Commission authorize Philadelphia, upon the redemption of its funded debt: (a) To charge to its account "Earned Surplus Prior to January 1, 1940", to the extent available, that portion of the unamortized debt discount and expense allocated to its 4¼% Collateral Trust Sinking Fund Bonds and 2⅝% Collateral Trust Serial Notes which relates to debt which was refunded in 1941 by said securities, namely $1,749,035.92 as of December 31, 1949; (b) to charge to its account "Earned Surplus Since December 31, 1939" the balance of the unamortized debt discount and expense allocated to said Bonds and Notes; and (c) to determine the amount to be set aside from its earnings and credited in its accounts to "Reserve for Revaluation of Assets" for each annual period, including the period in which said Bonds and Notes are redeemed, under the formula set forth in the aforesaid Form U-A (File No. 70-324), on the same basis that such amount would have been determined had the maturity of said Bonds and Notes not been accelerated; and

The Commission having considered the record as completed with respect to the results of negotiations regarding the sale of the stock of Equitable Gas Company and finding that the applicable standards of the act and the rules and regulations promulgated thereunder have been satisfied and finding no basis for imposing terms and conditions with respect to the price to be paid for said stock or the underwriters' spread and the allocation thereof; and

The Commission having considered the request of Philadelphia with respect to its proposed accounting entries, as hereinabove described, and it appearing to the Commission that the proposed accounting entries satisfy applicable provisions of the act and the rules and regulations thereunder, except insofar as the proposed charge to "Earned Surplus Prior to January 1, 1940" is concerned, the Commission deeming it unnecessary that such proposed charge be approved or disapproved at this time and deeming it appropriate under the circumstances relating to such account to permit the proposed charge to be made pending further review:

It is therefore ordered, That the amended applications-declarations, as further amended, be, and the same hereby are, granted and permitted to become effective forthwith, subject to the terms and conditions of Rule U-24.

It is further ordered, That Philadelphia is authorized, upon the redemption of its funded debt: (a) To charge to its account "Earned Surplus Prior to January 1, 1940," to the extent available, that portion of the unamortized debt discount and expense allocated to its 4¼% Collateral Trust Sinking Fund Bonds and 2⅝% Collateral Trust Serial Notes which relates to debt which was refunded in 1941 by said securities, namely, $1,749,035.92 as of December 31, 1949, subject to the condition that jurisdiction be, and the same hereby is, reserved to require other and different treatment with respect thereto from that proposed; (b) to charge to its account "Earned Surplus Since December 31, 1949," the balance of the unamortized debt discount expense allocated to said Bonds and Notes; and (c) to determine the amount to be set aside from its earnings and credited in its accounts to "Reserve for Revaluation of Assets" for each annual period, including the period in which said Bonds and Notes are redeemed, under the formula set forth in its Form U-A filed June 9, 1941, at File No. 70-324, on the same basis that such amount would have been determined had the maturity of said Bonds and Notes not been accelerated.

It is further ordered, That all other reservations, terms and conditions prescribed in the Commission's order dated March 14, 1950, be, and the same hereby are, continued in full force and effect except as expressly modified hereby.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 50-2713; Filed, Mar. 31, 1950; 8:50 a. m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

AUTHORITY: 40 Stat. 411, 55 Stat. 839, Pub. Laws 322, 671, 79th Cong., 60 Stat. 50, 925; 50 U. S. C. and Supp. App. 1, 616; E. O. 9193, July 6, 1942, 3 CFR, Cum. Supp., E. O. 9567, June 8, 1945, 3 CFR, 1945 Supp., E. O. 9788, Oct. 14, 1946, 11 F. R. 11981.

[Return Order 564]

SOCIETE ANONYME CHIMIE ET ATOMISTIQUE

Having considered the claim set forth below and having issued a determination allowing the claim, which is incorporated by reference herein and filed herewith,

It is ordered, That the claimed property, described below and in the determination, including all royalties accrued thereunder and all damages and profits recoverable for past infringement thereof, be returned after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Notice of Intention To Return Published, and Property

Societe Anonyme Chimie et Atomistique, Paris, France; 41700; February 7, 1950 (15 F. R. 675); property described in Vesting Order No. 666 (8 F. R. 5047, April 17, 1943) relating to United States Letters Patent No. 2,244,328. All interests and rights created in the Attorney General by virtue of a license agreement (License No. 1320F) dated February 28, 1945, by and between the Alien Property Custodian and George A. Breon & Co., relating to the aforesaid patent, including royalties thereunder in the amount of $79.01. All interests and rights created in the Attorney General by virtue of a license agreement (License No. 1559F) dated July 7, 1945, by and between the Alien Property Custodian and the Upjohn Company, relating to the aforesaid patent, and including royalties thereunder in the amount of $836.12. All interests and rights created in the Attorney General by virtue of a license agreement (License No. 2701F) dated October 21, 1949, by and between the Attorney General and Merck & Co., relating to the aforesaid patent, including royalties thereunder in the amount of $810.80.

This return shall not be deemed to include the rights of any licensees under the above patent.

Appropriate documents and papers effectuating this order will issue.

Executed at Washington, D. C., on March 24, 1950.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON, *Acting Director, Office of Alien Property.*

[F. R. Doc. 50-2742; Filed, Mar. 31, 1950; 8:53 a. m.]

[Return Order 575]

HANS EDGAR EICHENGRUEN

Having considered the claim set forth below and having issued a determination allowing the claim, which is incorporated by reference herein and filed herewith,

It is ordered, That the claimed property, described below and in the determination, be returned, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Notice of Intention To Return Published, and Property

Hans Edgar Eichengruen, Berlin-Hermsdorf, Germany; Claim No. 27042; February 9, 1950 (15 F. R. 727); $5,542.46 in the Treasury of the United States.

Appropriate documents and papers effectuating this order will issue.

Executed at Washington, D. C., on March 27, 1950.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON, *Acting Director, Office of Alien Property.*

[F. R. Doc. 50-2743; Filed, Mar. 31, 1950; 8:53 a. m.]

[Return Order 578]

VERONICA SITAR AND REGINA BYCZKOWSKI

Having considered the claim set forth below and having issued a determination allowing the claim, which is incorporated by reference herein and filed herewith,

It is ordered, That the claimed property, described below and in the determination, be returned, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Notice of Intention To Return Published, and Property

Veronica Sitar, Administratrix of the Estate of Regina Byczkowski, deceased, Chicago, Ill.; Claim No. 6714; February 7, 1950 (15 F. R. 675); $861.94 in the Treasury of the United States.

Appropriate documents and papers effectuating this order will issue.

Executed at Washington, D. C., on March 27, 1950.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Acting Director,
Office of Alien Property.

[F. R. Doc. 50-2744; Filed, Mar. 31, 1950; 8:53 a. m.]

SOCIETE SECURIT'S E. D. L. C.

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property located in Washington, D. C., including all royalties accrued thereunder and all damages and profits recoverable for past infringement thereof, after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., and Property

Societe Securit's E. D. L. C., Paris, France; Claim No. 42513; property described in Vesting Order No. 666 (8 F. R. 5047, April 17, 1943), relating to United States Letters Patent Nos. 2,021,051 and 2,266,961.

Executed at Washington, D. C., on March 27, 1950.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Acting Director,
Office of Alien Property.

[F. R. Doc. 50-2745; Filed, Mar. 31, 1950; 8:54 a. m.]

[Vesting Order 14475]

INGELINE H. LORENZEN

In re: Interest in real property owned by Ingeline H. Lorenzen.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Ingeline H. Lorenzen, whose last known address is Nieblum Flohr, Schleswig-Holstein, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows: An undivided one-half (½) interest in real property situated in the City of Chicago, County of Cook, State of Illinois, particularly described in Exhibit A, attached hereto and by reference made a part hereof, together with all hereditaments, fixtures, improvements and appurtenances thereto, and any and all claims for rents, refunds, benefits or other payments, arising from the ownership of such property,

is property within the United States, owned or controlled by, payable or deliverable to, held on behalf of, or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described in subparagraph 2 hereof, subject to recorded liens, encumbrances and other rights of record held by or for persons who are not nationals of designated enemy countries, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on March 24, 1950.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Acting Director,
Office of Alien Property.

EXHIBIT A

All that certain real property, situated in the City of Chicago, County of Cook, State of Illinois, and more particularly described as follows: Lots Numbers Sixteen (16) Seventeen (17) and Eighteen (18) in Block Number Six (6) of Colvin's Subdivision of the South East Quarter of the North West Quarter of Section Number Thirty Six (36) Township Number Thirty Eight (38) North Range Number Thirteen (13) East of the Third Principal Meridian.

[F. R. Doc. 50-2738; Filed, Mar. 31, 1950; [8:52 a. m.]

RUDOLF PINKUS AND ALFRED LEOPOLD PINKUS

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of the publication hereof, the following property, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Property, and Location

Rudolf Pinkus, Via Cremona 71 Int. 4, Rome, Italy; Claim No. 5874; $491.72 in the Treasury of the United States.

Alfred Leopold Pinkus, 745 46th Avenue, San Francisco, Calif.; Claim No. 5874; $491.72 in the Treasury of the United States.

Executed at Washington, D. C., on March 27, 1950.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Acting Director,
Office of Alien Property.

[F. R. Doc. 50-2746; Filed, Mar. 31, 1950; 8:54 a. m.]

JUDITH FISCHER

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of the publication hereof, the following property, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Property, and Location

Judith Fischer, Budapest, Hungary; Claim No. 6828; $285.71 in the Treasury of the United States.

Executed at Washington, D. C., on March 27, 1950.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Acting Director,
Office of Alien Property.

[F. R. Doc. 50-2747; Filed, Mar. 31, 1950; 8:54 a. m.]

LUCY KOESTER

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of the publication hereof, the following property, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Property and Location

Lucy Koester, Bavaria, Germany; Claim No. 38667; all right, title and interest of Lucy Koester in and to the Estate of Alfred Otto Koester, deceased; L. C. Koster, Administrator. Claimant is the sole beneficiary of the estate, the assets of which are in the possession of Morrison, Hohfeld, Foerster, Shuman & Clark, 620 Market Street, San Francisco, California, attorneys for the administrator.

Executed at Washington, D. C., on March 28, 1950.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Acting Director,
Office of Alien Property.

[F. R. Doc. 50-2748; Filed, Mar. 31, 1950; 8:54 a. m.]